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THE UNIVERSITY OF ALBERTA

CANADIAN VALUES AND ORGANIZATIONAL BEHAVIOR

by

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(C)

A THESIS

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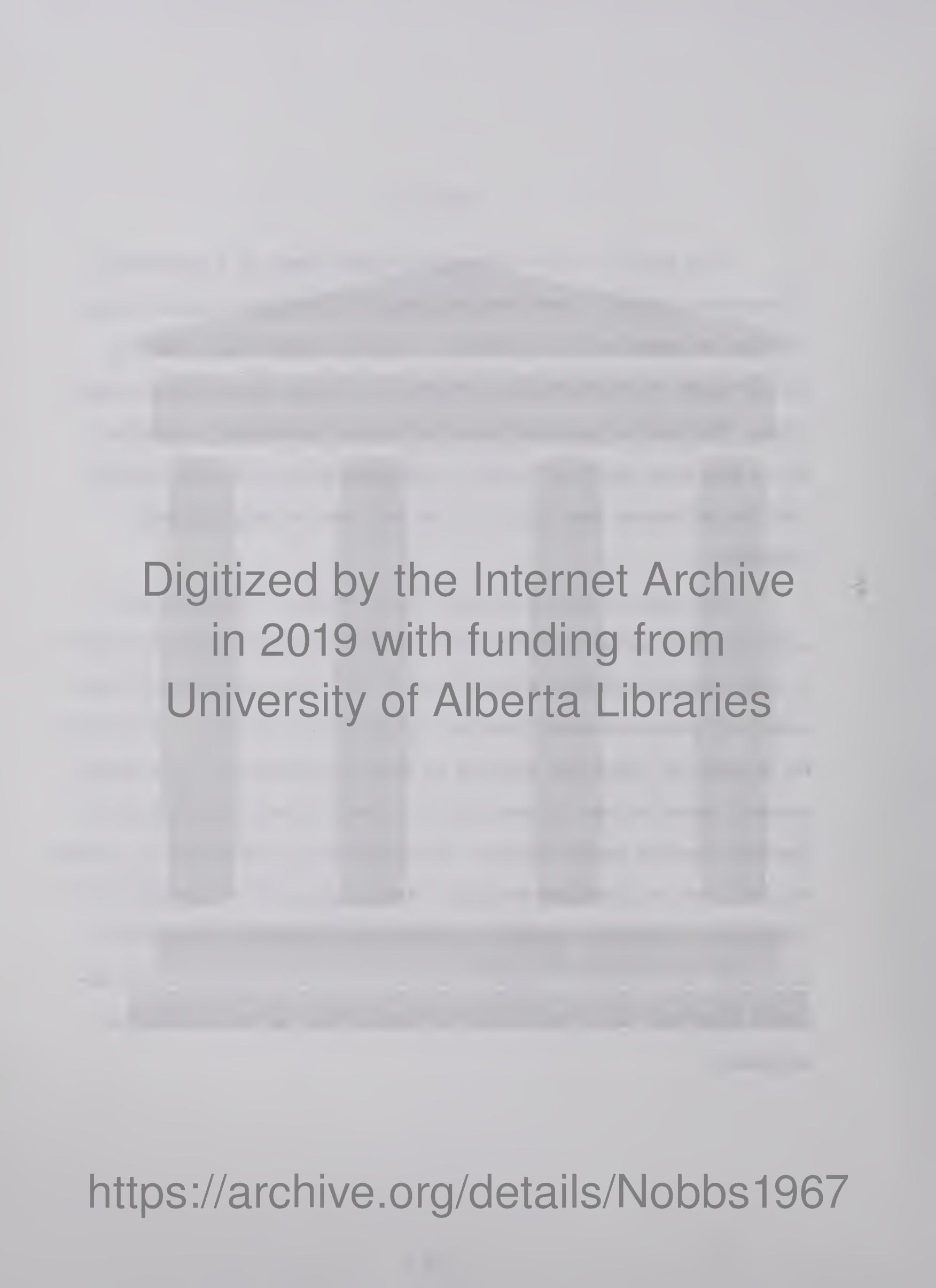
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FACULTY OF GRADUATE STUDIES

The undersigned certify that they have read, and
recommend to the Faculty of Graduate Studies for acceptance,
a thesis entitled "Canadian Values and Organizational
Behavior" submitted by Richard Albert Nobbs in partial
fulfilment of the requirements for the degree of Master of
Business Administration.

ABSTRACT

This study has been undertaken because there is a paucity of information available about the influences that Canadian social values may have on organizational behavior. Studies specifically relating social values to organizational behavior in Canada have not been undertaken. The lack of empirical data has made it necessary to commence with a preparatory study of current literature which gives some insight into the influences that social values may have on organizational behavior.

The scope of this study has been a review of some historical analyses and comparative reports which indicate the intensity of belief in some dominant Canadian social values. The review enabled the development of hypotheses about Canadian organizational behavior. Therefore, the purpose of this study has been to develop hypotheses of the organizational behavior that is most likely to result from the influences of dominant Canadian social values. The hypotheses are intended to provide the basis for an intensive empirical study that could be carried out in the future to describe Canadian organizational behavior. In order to accomplish this purpose, American social values and organizational behavior have been used, implicitly and explicitly, as the standard of reference.

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CHAPTER I

SOCIAL VALUES AND ORGANIZATIONAL BEHAVIOR

Introduction

Investigations by social scientists have revealed that numerous factors influence organizational behavior, which may be defined as occurrences within organizations that result from the feelings, perceptions, and activities of individuals who make up the membership. Some of the factors that affect organizational behavior are: economic considerations (individual, organizational, and societal), material considerations (natural resources, etc.), physical environment (working and community conditions, etc.), political considerations, formal and informal constraints and laws, organization size, interdependence of organization and community, personal characteristics, family relationships, education, technology and technological developments, levels of aspirations and achievement, social values, and so on. The diversity of influencing factors, which may be very complex in themselves, indicates the complexity that would be required for a comprehensive examination of organizational behavior.

This study will attempt to delineate some dominant Canadian social values, and to isolate their influences on organizational behavior. The need for this inquiry arises from the fact that there is a paucity of information on Canadian organizational behavior. The work embodied here will be guided by the results of empirical investigations in other countries which indicate that social values vary from

society to society, and do have a decided effect on organizational behavior. It is therefore important to gain an understanding of Canadian social values in order to analyze organizational behavior in Canada.

The intent of this chapter is to provide an understanding of the ways in which social values may influence organizational behavior, and to form the basis for predictions of the organizational behavior that Canadian social values may induce. This is not meant to imply that a uniform set of Canadian social values will be found, or that organizational behavior will be consistently influenced throughout a diverse society, but only that particular Canadian social values will tend to produce particular types of organizational behavior. The second chapter will present a review of some empirical studies that reveal the influences of social values on organizational behavior, and stress the importance of understanding the relevance of the values peculiar to any society. The third chapter will describe dominant Canadian social values, and discuss the historical, religious, and environmental factors which most likely aided in the development of Canadian values. The final chapter will present an analysis of the organizational behavior which can be expected to result from the influences of Canadian social values.

It is anticipated that this study will form the basis for future empirical research to determine more accurately the correlation between social values and organizational behavior in Canada.

The Influences of Social Values on Organizational Behavior

Organizational behavior is a phenomenon that is affected by

many factors within organizations and in the environment around them. This study is concerned with the independent influences of social values on organizational behavior, assuming that all other relevant factors remain constant over time. Lipset has found that social values influence the behavior of individuals in society and, since organizations are comprised of individuals from society, activities occurring within organizations (organizational behavior) will also be influenced by social values. He maintains that determination of the extensiveness, duration, and intensity of social values will enable the prediction of societal behavior (Lipset, 1963, pp 248-73). Organizations are part of society as a whole, and it should therefore be possible to predict tendencies in organizational behavior from social values, remembering that numerous other factors affect organizational behavior, and may tend to counter the influences of social values.

Numerous authors (Lipset, 1963; Marquis and Goldhammer, 1961; Hagen, 1962; Stogdill, 1966; Presthus, 1962a; Whyte, 1961; Warner, 1957; Naegele, 1964a; Parsons, 1951; Udy, 1962; Bass 1965; and Williams, 1951) indicate that social values influence particular factors in society such as social class structure, status and authority structures, kinship and clique relationships, ethnic group relationships, social and physical mobility, and so on. They have found that the ascendancy of particular social values will depend upon their importance, or the extensiveness and intensity, with which they are held in society, and upon the duration of their existence. Life in organizations is biased by these factors because they influence the activities of individuals in society. The lives of individuals are influenced because they learn to accept and internalize the society's values through interactions with others in

society and in the social systems that exist within society.

It is important to distinguish between society and social systems because there may be some differences between the influences of social values on societal behavior and behavior within social systems. Naegele maintains that organizations and institutions are social systems since they have a moral order, define ends and means to ends, have legitimacy and systems of membership, have rules for membership, adapt to their environment (physical, material, and social), and have a cohesion among members which implies a sense of belonging, differentiation from outsiders, and a means to motivate loyalties. Social systems have to draw upon their environment to obtain and maintain members. A society is larger than a social system. A society is a relatively autonomous and inclusive social system, has a notion of sovereignty, and provides for its own continuity through procreation within its own visible borders (for the most part). In other words, the main difference between a society and a social system is that the society is inclusive while the social system depends, for its survival, upon getting new members from the society (Naegele, 1964a, pp 2-4). This allows for further differentiation because a social system may select its members to meet certain qualifications while a society must accept all individuals (except in the case of immigration) and, thus, there may be substantial differences between societal and social system behavior.

There is a consensus that social values elicit particular behavioral tendencies from individuals in society and they must, therefore, influence the behavior of individuals in organizations. Social values will serve to encourage and reinforce certain types of behavioral tendencies in organizational activities. The remainder of this section

will point out some of these tendencies using examples of social values and the influences that they may have on organizational behavior.

In an organization, as in a society, the authority structure is important to the co-ordination of planned activities. The rigidity of any authority structure is evoked by the individuals subjected to it because, if they do not value authority highly, they will resist subordination and weaken the power structure of the hierarchy (Marquis and Goldhammer, 1961, p. 57; and Lipset, 1963, p 270). On the other hand, in a traditional and highly elitist society authority is valued highly and the power structure of the hierarchy will be very rigid because there will be high deference to authority (Hagen, 1962, p 2). The degree of deference to authority will influence the rigidity and distinctiveness of the social class structure and the importance of status systems. In a rigidly stratified society (elitist), status is extremely important to the individual because social mobility is low, and the status he holds depends upon the class into which he was born. When the society is not rigidly stratified (equalitarian) status by itself is not highly important, although status is valued as an indicator of achievement or advancement.

The influence of status and social class structure on organizational behavior is partially revealed in the areas of communication and incentives for co-operation (Whyte, 1961, pp 64-5). If status is not emphasized, there will be freer communications between hierarchical levels, and it will be easier to resolve differences in organizations. This inducement coincides with the contribution of an indistinct social class structure which enables individuals to aspire to the achievement of higher status because class divisions can be transcended, and can serve

as an incentive to co-operation (Barnard, 1946, p 68). Conversely, an individual confined to one station in life is most likely to lack incentives for co-operation and communication essential to the effective and efficient operation of an organization. Thus, organizations in a more rigidly stratified society will have to maintain a more rigidly stratified authority structure and a larger body of rules (more bureaucratization) to ensure that all desired activities are carried out.

Although the inducements of equalitarianism (exemplified by the social class structure and status systems) may be similar in organizations and society, Presthus provides considerable documentation which indicates that the influence may not be of the same intensity. He infers that a high level of equalitarianism does not weaken the authority structure in organizations as much as it weakens the authority structure in the society (Presthus, 1962a, Chapters 2 &3). Thus, although equalitarianism tends to produce a weak authority structure, other factors in organizations may reduce the influence of equalitarianism with the result that organizations in an equalitarian society may have strong authority structures relative to that of society as a whole.

The social values of any society are exemplified by many forms of activity. For example, social values help to determine the emphasis that is placed upon education, and the type of education made available to children in society. Education, in turn, has some effect upon aspirations for advancement, achievement, and innovation which is reflected in organizational behavior. The greater the intensity of belief in the value of achievement, the greater will be the emphasis on practical, technical education to a high level in society, and the higher will be the aspirations of individuals and their emphasis on achievement and

innovation which will result in more dynamic organizations (Stogdill, 1966; Marquis and Goldhammer, 1961; and others).

Social values are affected by the dominant religious ideologies in the society which are reflected in the emphasis on work, productivity, and profits. Max Weber pointed out that the Protestant Ethic, and Calvinism in particular, stimulated economic development through its emphasis on hard work, diligence, thrift, materialism, profit, individualism, and so on, in opposition to the Roman Catholic ideology which considered economic gain as an evil during the Middle Ages. The rise of Calvinism led to a change in values which permitted the development of capitalism through the impact on the behavior of individuals (Weber, 1946, passim). Stogdill points out that religious doctrine has served in the past as the ultimate source of organizational and governmental authority, although it is now giving way to common law and political philosophy. However, much of common law and political philosophy is rooted in the dominant religious ethic in society. Thus, a tendency towards the Protestant Ethic in a society will be reflected in organizational behavior, and efforts will be made in such a society to increase productivity rather than to produce just enough to get along (Stogdill, 1966, p 43; also Lipset, 1963, Chapter 7).

The degree of optimism and pragmatism that pervades in society will also exert some influence on organizational behavior. An emphasis on optimism or faith in the society's economy should lead to a greater degree of risk-taking, which may result in a greater rate of business expansion and larger industrial organizations. An emphasis on achievement should lead to a greater concern for technological advancement as the means for increasing productivity, which will require more highly

skilled workers and different methods of organizational control (Bass, 1965, pp 25-28; and Marquis and Goldhammer, 1961, pp 50-53).

Marquis and Goldhammer assert that organizational behavior will also be influenced by the degree of mobility (both social and physical) that exists in society. The degree of mobility is induced by the intensity of equalitarianism and the value placed on achievement in the society. In an authoritarian society class structures are rigid, and achievement is not emphasized, with the result that both social and physical mobility is low. In such a society individuals probably will be more concerned with job security, obeying rules, and avoiding risks to ensure that they will not have to search for new jobs. The effect on organizations will most likely be a reduction in innovation, continuance of past mistakes, and lower efficiency and effectiveness because of strict adherence to rules (Marquis and Goldhammer, 1961, p 49).

Social values also may affect organizational behavior through the extent of conflict that they engender in interactions. An equalitarian society tends to be pluralistic with a greater emphasis on conflict or dissension and the justification of courses of action. As Presthus suggests, conflict may result in less stability in the society and organizations but, on the other hand, it may also result in better courses of action being chosen because of the need to prove the worth of any proposed activity. Even in a highly equalitarian society dissension will most likely be retarded in organizations, but the influence of the value of equalitarianism is reflected in conflict that leads to organizational changes through efforts to ensure that the desires of dominant groups are satisfied (Presthus, 1962a, pp 288-95).

Marquis and Goldhammer also assert that a belief in materialism

appears to affect the level of production and productivity in society as well as the standard of living. The belief in materialism is most likely to develop in societies with a seemingly unending supply of natural resources and, therefore, unrestricted production possibilities. An emphasis on materialism should affect organizational behavior by creating a desire for higher production and productivity that meets an acceptable level of quality, with a coincident emphasis on selling efforts to clear the resulting supply. Such activity should lead to more mass production, job specialization, technological advance, and co-ordination problems with a rapid expansion of industrial organizations (Marquis and Goldhammer, 1961, pp 70-2). On the other hand, a lack of belief in materialism should lead to an emphasis on craftsmanship and quality which will most likely result in a failure to expand production at a rate coincident with the needs of the society, thereby retarding development.

The above examples of social values and their possible influences on organizational behavior are among the most common and readily observable. However, other social values may be found to have equally important influences on organizational behavior which, because of its nature, is highly susceptible to factors that help to mold the personalities of organization members who are selected from the larger society.

The Hypothesis

The preceding section leads to the hypothesis that social values influence organizational behavior in a predictable manner which is dependent upon the extensiveness, duration, and intensity with which they are held in a society. Thus the determination of the intensity of belief in dominant Canadian social values, which are extensive and of long duration,

will enable the prediction of the organizational behavior that is most likely to be found in Canada. The proportion of the population that holds any particular social value to be important indicates its extensiveness or the spread of its influence. The duration of any social value is the length of time that it has been held to be important in society, and is an indication of the stability of the social value. And the degree of belief in the goodness of any social value, or its intensity, is evidenced by the amount of effort, verbal affirmation, promptness, certainty, and the severity of sanctions imposed in support of the particular value (Marquis and Goldhammer, 1961, p 41). Slight variations in the intensity with which a social value is held can lead to considerable differences in influence, which causes important variations between societies (Lipset, 1961, p 305). In other words, the hypothesis asserts that the influence on organizational behavior of any social value determined to exist in Canada will be related to the importance of that value to the Canadian society, or the extent and strength of belief in it.

Determination of the extensiveness and intensity of four social values with long duration in Canada; that is, the importance of equalitarianism, achievement, universalism, and specificity in Canada; is expected to provide most of the basis for predicting predominant organizational behavior in Canada. As defined by Lipset, equalitarianism is the belief that all persons must be given respect simply because they are human beings, and the belief that differences in status reflect accidental, and perhaps temporary, variations in social relationships which can be transcended by individual effort. Achievement is the belief that success should be attainable by all, the belief that hard work will be rewarded by success, and the belief that it is better to strive for

success than to sit idle and do nothing. Universalism is the belief that all people should be treated according to the same standard (e.g., equality before the law). And specificity is the belief in treating all individuals according to the positions that they occupy rather than as members of collective groupings (Lipset, 1963, pp 209-13).

Lipset's discussion of these four values (Lipset, 1963, pp 248-73) provides support and direction for the application of the hypothesis. He indicates that greater belief in equalitarianism results in a freer society with greater tolerance of actual differences in jobs and job opportunities between individuals, a reduced concern for developing leadership, less distinct social stratifications, and a greater tolerance of lawlessness. Greater belief in the value of achievement results in more emphasis on hard work, education, and developing technology; an inability to be satisfied with any given level of attainment; and a greater drive to increase productivity. Greater belief in universalism results in less emphasis on social class and status with more participation by the lower classes in the society's activities. Lipset also indicates that greater belief in specificity results in a higher tolerance for political deviance, lower respect for civil liberties and minority rights, greater access to power by the electorate over the elite, and a greater strain imposed by the introduction of socialist and welfare-state concepts. Lipset's concern is for societal behavior, but behavioral tendencies resulting from these values should also be evident in organizations.

The reliability of predictions made on the basis of the hypothesis will depend, to some extent, on the duration of the values used. Lipset has drawn from reports on American society which span more than 150 years

in order to show that the basic values of American society have not changed with time (Lipset, 1963, pp 110-22; and Lipset, 1961, pp 136-71). It is anticipated that reports on Canadian society will indicate that the basic Canadian social values have not changed with time, and that predictions based on Canadian values will be sound. That is, reliable predictions of the organizational behavior that exists in Canada may be made after determining the extensiveness, duration, and intensity of basic Canadian social values.

Descriptions of Concepts Used

Social Values

The presentations made in this study rely for their acceptance upon a clear understanding of the concept of social values. Defined in the behavioral sense, social values are the ideas that the dominant groups in society hold as hopes and assumptions in the form of ideals, standards, beliefs and objectives so great or so encompassing as to be actually unattainable, but which serve at the same time as guides to acceptable behavior for individuals in society (expanded from Litterer, 1965, p 124). Social values determine the actions and interactions that are good and acceptable to society as a whole (Marquis and Goldhammer, 1961, p 42). In a traditional society the dominant values will be those held by the aristocrats who control society, and in a modern democracy the dominant values will be middle class values.

Although social values are those values that are held to be important by the dominant class in society, they are acquiesced to by the majority of members in society and thereby exert influence on their actions. The extent of acquiescence to any social value will depend

upon the relative strength of the dominant class in society and the intensity of its belief in that value. However, on the whole, social values determine how most individuals should behave in social interactions. For example, if society values equalitarianism, actions that increase the authority of some individual or group relative to others are usually considered bad, and actions that reduce authority are usually considered good. The intensity and extent of actions taken by society, to counter attempts to increase authority, will depend upon the intensity and extent of belief in equalitarianism. The same effects hold true for any other dominant values in a society and their respective areas of relevance.

The values held to be important by any society affect organizational behavior because they will help to establish the rigidity of its social class structure, physical and social mobility of individuals, the rigidity and power of authority structures in society, the status system and its importance, permissible work activities, and so on, which the organization must accept in order to exist in the society (See for example Warner, 1957, pp 226-41; Whyte, 1961, pp 59-65; and Stogdill, 1966, pp 41-3). That is, social values determine the social system that will exist or, in other words, "are conceptions of the desirable social system (Parsons and White, 1961, p 100)" into which organizations must fit in order to function in society.

Organizational Behavior

The other concept of crucial importance to this study is that of organizational behavior which Shartle defines simply as "events occurring within the organization (Shartle, 1957, p 304)." This is perhaps the best definition to give as it encompasses the wide range of activities

that organizational behavior is comprised of without stating them explicitly. Organizational behavior stems from the actions of individuals in and around the organization and includes activities such as decision making and problem solving, goal setting, risk taking, innovation, communications and interactions, establishment of authority structure, status seeking and role playing, bureaucratic procedures, and so on. In other words, all activities or events occurring within organizations or across their boundaries serve to describe, and are part of, organizational behavior.

The complex concept of organizational behavior can be understood more fully from two seemingly different, but in fact similar, views of what an organization is. Stogdill views the organization as a "social interaction system in which differentiation of expectations defines the structure of positions and roles in the system (Stogdill, 1966, p 13)." Cyert and March view the organization as a coalition of the individuals employed within the formal organization and individuals in the external environment of the organization and interacting with it. The interactions of the coalition members determine the structure and behavior in the organization (Cyert and March, 1963, p 27). These views are both the same in that they include external forces as components of the organization. That is, an organization is an open system whose structure and objectives are determined by social interactions within its formal boundaries (organizational behavior), and exchanges or interactions across its boundaries with elements in society, which also influence organizational behavior through soliciting acceptable responses from the organization. Interactions occur between the organization and its customers, suppliers, bankers, legal and regulatory bodies, community social and pressure groups,

and so on. Each element affects and is affected by others through their interactions. The view of the organization as an open interaction system provides the key to the source of the influences of social values on organizational behavior which is the organization's environmental relationships.

Environmental Relationships

The environment of all organizations consists of the society in which they exist. For any given organization the environment consists of the individuals and all other organizations and institutions in society. Many authors assert that to exist organizations must receive inputs from and provide outputs to the environment, and this involves exchange relationships with society. Organizations cannot exist in isolation (Marquis and Goldhammer, 1961, passim; Barnard, 1946, passim; Back, 1951, passim; Stogdill, 1966, passim; and others). Stogdill points out that all organizations require human inputs such as skill, effort, expectation, time, knowledge, and innovation. In addition, most organizations require material inputs such as money, material, and facilities. For organizations to accomplish their purposes the inputs must be converted through some process into outputs such as productivity, integration, and morale. The composition of outputs "will be determined in part by the [availability] of resources and materials [in] the environment and in part by the social value placed on the available materials by members of the larger society (Stogdill, 1966, pp 30-40)."

The input, conversion, output process involves an exchange of values with society, primarily through the personnel employed in organizations. Personnel employed by an organization usually must fit certain

social values exemplified by personal characteristics such as physique, appearance, knowledge, skills, personality, values, reference groups, trade, profession, and social status suited to their jobs in the organization (Stogdill, 1966, p 23). In other words, "community norms are often the basis on which management hires and promotes employees, as illustrated by the treatment of racial and ethnic groups in organizations (...) (Blau, 1964, p 200)." As suggested by Stogdill, an exchange of values can well be involved in this process if, for example, management wants to hire the most highly qualified man for some position, but the man is not socially acceptable in that position because of his race, colour, or creed. Management has the choice of either hiring that man and losing social prestige for the organization or maintaining social prestige by hiring a less qualified man who is socially acceptable, thereby allowing a management ideal of technical competence to be compromised. An organization may decide to give up social prestige in an exchange with its environment in order to maintain its own ideals, but if carried to extremes such action could lead to extinction of the organization because of societal pressures (Stogdill, 1966, passim).

The most important aspect of environmental relationships is the external constraints imposed on organizations by the environment. Stogdill lists climate, material resources, folk mores, religious norms, common law, political philosophy, governmental and legal regulations, economic institutions and norms, professional and craft norms, fraternal and philanthropic norms, family norms, and community norms (Stogdill, 1966, p 42) as being important external constraints to which he had previously given support:

The environment imposes numerous restraints upon human organiza-

tion (...) [and] societies differ in their utilization and exploitation of the same available resources. The kinds of organization that develop in a society are determined to a very large degree by the techniques utilized for exploiting the environment (...).

The social environment must be regarded as a far more potent force than the physical environment in determining the purpose and form of organization. Religious belief has played a major part in the development of large, complex, stable societies. The concepts of deity and moral principle have provided relatively stable standards for the legitimization of societal authority structures. The institutions and organizations of a society derive their rights and obligations from the still higher authority defined by the folk norms and religious doctrines of the dominant members of society. Religious institutions have tended to support and stabilize governmental and economic organizations, as well as family structure (Stogdill, 1966, p 41).

Stogdill points out that the types of organizations developed, and their survival, will depend upon the external constraints imposed by society and the organizations' abilities in adapting to environmental changes. Organizations must be able to assess the constraints and their relevance in order to operate successfully in the society. At the same time, organizations cannot assume that the environment will not change. "The survival of an organization is rooted in the relations that it maintains with its physical-social environment, [thus] it must be capable of coping with environmental change (Stogdill, 1966, p 45)." In order to cope with environmental change organizations must develop "survival mechanisms". The effectiveness of the organization's survival mechanisms will determine its continuing success and the degree of harmony in its environmental relationships (Stogdill, 1966, pp 41-6). This will result in a continuous shaping of organizations to suit the environment --society -- and points out the importance of understanding social values and their influences on organizations.

The Perpetuation of Social Values

The previous discussion has stated that social values are inter-

nalized by the individuals in society, and an understanding of the mechanics of the process through which social values are instilled is important to the appreciation of their influence on organizational behavior. Many authors have discussed the socialization process which is the means through which social values are inculcated into the individual's personality and results in the perpetuation, and slow evolution of change in important values. The socialization process is based on interpersonal contacts through which the individual is subjected, from birth onward, to group norms and values. The individual is induced to conform to the mores of society, the cultural values and social arrangements of dominant groups in society which have been institutionalized in society, by positive reinforcement (anxiety reducing rewards) for acceptable interactions and negative reinforcement (anxiety inducing punishments) for unacceptable interactions. At any time during an individual's life one or more institutions of the society will be acting to induce the individual to conform to the mores. The most influential institutions are the family, educational institutions, religious institutions, job superiors, judicial bodies, and any one or a number of formal and informal social groups with which the individual associates. The importance of the socialization process is that it results in reflexes that become linked together, and are continually reinforced to form habitual patterns of behavior that are acceptable to society (Prestrus, 1962a, pp 93-134; Parsons, 1959, pp 30-4; Blau, 1964, pp 275-76; and Sanford, 1966, p 40).

Through the socialization process "society, in effect, provides a web of values and expectations that determines the individual's char-

acter, his ethical beliefs, and his ideas about progress, success, and failure (Prestrus, 1962a, p 7)." The individual is influenced or guided by this web of values in all activities in which he engages. The result, in the societal sense, is a tendency for conformity in the behavior of individuals in any given action situation. There are deviants, of course, but they are the exceptions rather than the rule and the fact that there is a rule, or what society terms normal behavior, is of major importance to this study.

The Importance of Values to Society

Social values are very important to a society because they determine the social structure of society, and whether it will be stable or subject to reform, as emphasized by Hagen:

The tenor of any age is powerfully influenced by the pattern of relationships which the members of society have found satisfactory as children, [because of the socialization process]. If a hierarchical authoritarian social structure persists for centuries (as it has in traditional societies), it must be concluded that the members of the society found it satisfactory, and did so because in childhood they found such a structure of relationships the best solution to a problem they faced. (...) When a society which has found satisfaction in authoritarian government changes to democratic government, it must be concluded that childhood environment has changed so that the need of a hierarchy above and below one is no longer felt in childhood and instead exploration without authoritarian guidance of one's relations with one's peers seems safe and satisfying, and therefore seems safe and satisfying in adulthood as well (Hagen, 1962, p 6).

The implication of the above is that social structure will be stable as long as it is satisfying, or anxiety reducing, and it will be satisfying as long as the socialization process causes the social structure to be valued by the dominant groups in the society. If the dominant groups in society no longer value the existing social structure, this fact will be reflected in the socialization process so that subsequent

generations will not value the social structure, and will cause it to be changed to a structure acceptable to them. It should be emphasized that the social structure discussed here is the authority, status, and class structure only in terms of values held, and not the composition of the physical structure of society which changes continually because of social mobility in the society.

Social values are necessary to the control of members of society as they are a part of the body of accepted rules, standards, and customs. The society's values form a part of a network of basic assumptions, beliefs, or meanings about life and the universe or environment (Kirby, 1961, p 190). One of the social values is morality which is exemplified in the moral code or codes of society. Members of the society will be subjected to persecution of some sort for violations of the moral code, and are thereby controlled by the morality of society. In general, the formal laws and courts restrict individuals to activities conforming to the values of society by invoking punishments for deviants. However, informal pressures are also exerted through group norms to ensure conformance to the group's and, in general, society's values. Conformance or nonconformance is evidenced by the individual's behavior, and pressure for conformance is exerted through collective and delegated group behavior.

The values held by society aid in determining the goals, and the means to attain the goals of society, as pointed out by Marquis and Goldhammer:

The values which are held in a society are the regulators of behavior in that society. They define what is good or bad, and are adapted to interpret behavior so that it is directed toward accomplishment of goals deemed essential to that society. (Marquis and Goldhammer, 1961, p 47; see also Naegele, 1964a, p 2).

The influence of social values on the goals of society is an indirect rather than a direct cause and effect relationship, as pointed out by Warner. For example, social values influence the formation of social stratifications and status systems in society. If social stratifications are blurred, the status systems will be relatively open, and the degree of openness in the status systems helps to determine the degree of social mobility in the society. The degree of social mobility, in turn, helps to establish the life chances for the individual and his family (Warner, 1957, pp 226-33). The life chances for the individual and his family will exert some influence on aspirations, acceptance of authority, and resulting behavior (Whyte, 1961, p 64). The total of the actions of all individuals will, through this series of cause and effect relationships, establish the goals of society and the means through which they will be achieved. The literature indicates that a high achieving society will exhibit little deference to authority, and will have a high degree of social mobility, a high degree of openness in its status systems, and relatively blurred social stratifications.

The importance of social values as determiners of social actions has been emphasized also by Parsons and White:

Social values (...) are conceptions of the desirable social system. (...) The institutionalized values of a society (...) constitute the conception of the good society as applied to their own society by its own members (Parsons and White, 1961, p 100).

In other words, social values serve to legitimize or justify the social system and goals of society in the eyes of individuals in society. The society accepted by the individual, who has been inculcated with its social values, becomes the "good society" and all other societies are perceived as being "bad" in some respect, thus causing the individual

to act in a manner that will tend to perpetuate, rather than weaken or destroy, his society.

Summary and Conclusions

This chapter has presented a discussion of the influences of social values on organizational behavior, the perpetuation of social values, and the importance of values to society. The literature studied leads to the conclusion that social values influence organizational behavior in a predictable manner which is dependent upon the extensiveness, duration, and intensity with which the social values are held in society. The organizational behavior resulting from the influences of social values will be related to the importance and durability of the social values peculiar to any society. Thus it can be postulated that the determination of the dominant Canadian social values and their extensiveness, duration, and intensity will enable the prediction of the organizational behavior that exists in Canada.

The next chapter will present a review of several empirical studies on the influences of social values on organizational behavior in several different societies. All of the inquiries reviewed were found to support the conclusions reached from the theory presented in this chapter.

CHAPTER II

EMPIRICAL STUDIES OF THE INFLUENCES OF SOCIAL VALUES ON ORGANIZATIONAL BEHAVIOR

Introduction

The empirical studies included in this chapter do not exhaust the field by any means but are only a sample of work that has been done by behavioral scientists to determine the influences that social values have on organizational behavior. The inquiries stress the need to understand the culture and values of any society before reliable attempts can be made to analyze and predict the organizational behavior that exists. The authors have found that in each society the authority structure, operating rules, work incentives, the extent of organizational involvement in the personal affairs of employees, the extent and ease of mechanization, product marketing methods, decision-making process, and other factors required to provide an efficient industrial organization all depend to some extent on the predominant values in the society.

The studies included point out differences in the values and organizational behavior in the Japanese, German, Norwegian, British, Algonkian Indian, and American societies. They indicate that historical development and religious beliefs play important roles in the development of the values held by any society and thus, to some extent, in the determination of organizational behavior. The intent of the following review is to present a short summary of some empirical studies which

will enable easy comparison of various societies and stress the importance of the influences of social values on organizational behavior.

The Japanese Factory (Abegglen, 1958)

Abegglen's study points out that Japanese industrialization and the resulting organizational behavior is entirely different from Western industrialization and cannot be understood without allowing for differences in social values. The Japanese factory system parallels Japan's preindustrial and long standing feudal system of social organization. Factory employment is a career commitment with the employee completely dependent upon the factory for his life's work and livelihood and the factory responsible for the continued welfare of all employees. Management is very concerned with the broad scope of national economic welfare and uses the economy's needs to justify retention of workers who would otherwise be unemployed, but the real reason for inflexibility in the labour force is the lack of mobility in Japanese society which results from Japanese social values and the rigidly stratified society.

New personnel are recruited on the basis of their social backgrounds and levels of education with little or no concern being given to job aptitudes. Positions entered and attainable are most closely related to the level of formal education. Wage workers are selected from rural areas, have the minimum legal education, and some may be promoted to become salaried workers. Salaried workers are selected from rural high schools, or from lower rated colleges, and some may be promoted to supervisor levels. Supervisors are selected from certain colleges, and those from the best five universities are promotable to high management positions. Individuals that are eligible for promotion to the

highest management positions usually have studied under certain esteemed professors. Recruitment direct from schools and universities is virtually the only way in which men enter the firm. The company makes the approach to potential applicants and all applicants are thoroughly tested mentally, physically (no disabilities accepted), and their family history studied for acceptance into employment. Hiring policies do not test job ability and no one will be fired after being employed if it is found that he lacks ability -- those lacking ability will be moved into undemanding or useless positions and employed in make-work jobs throughout their careers. Employees are laid off only under extreme provocation and very few ever quit voluntarily because of the impossibility of finding employment in another factory. Men quit only to enter a family business, take over the family farm, or set up a small shop. Women quit only when they marry which they are expected to do before they are thirty.

The Japanese factory pay system rests on a base-pay formula which is not set by the kind of work done, the efficiency with which work is performed, or the worker's capacity to perform the work required but is set by age and education only upon entry into any work strata. Total pay is made up of the base pay plus considerable allowances not related to the worker's output. Allowances comprise 73% of total pay and the major allowances are for type of work, size of family, age, regional cost of living, overtime and shift pay, attendance, and job-rank. In addition numerous paid holidays are given for events such as national and religious holidays, marriage, childbirth, deaths of relatives, and anniversaries of deaths of relatives. The factory also pays sizeable, semi-annual bonuses which are viewed basically as gifts but are counted upon as regular parts of income and are only indirectly related to factory

output or profits. The pay system eliminates the possibility of traditional Western job incentives and the motivation for work output rests to a large extent on loyalty and group identification.

The factory's responsibility does not end with payment of wages. Nearly every detail of the worker's life is interpenetrated by the company's facilities, guidance services and welfare assistance programs. The company provides meals, dormitories, bath, company houses, kindergarten, company store, schools, library, dormitory clubs, park, hospital and health facilities, and financial aid in the event of illness, death, or other misfortune. The company does and is expected to intervene willingly to settle personal disputes and frequently makes extra provision for education and entertainment of workers' wives. Because of the system the Japanese employee's life is centred in the organization for which he works. It is a more personal system (paternalistic or feudalistic) and is more akin to Western family groupings than Western industrial organizations.

There is a tendency in Japan for power to be exercised indirectly through symbolic leaders and this is reflected in organization structures. Status, prestige, and saving face are all important to the Japanese with the result that the organizations are elaborately and minutely divided into titled groupings. The ratio of the number of persons in one level of management to that in the next descending level is usually one to three and the ratio of employees in formally differentiated positions to general clerical and factory employees is approximately one to six. In addition, nearly all decisions are made by groups which is very cumbersome but, at the same time, makes it virtually impossible to fix individual responsibility for decisions or for errors in decision making, and eliminates

ates the possibility of personal dishonour. This characteristic method of decision making is rooted in the Japanese custom of family and village councils where all participate. The numerous titled positions are necessary because promotion is based strictly on seniority to avoid placing younger men above their elders in the same social class. Age-grading is highly important to the Japanese to maintain the prestige and status of elders in the society. And factory managements have strong clique relationships which parallel, to some extent, the strong Japanese father-son relationships.

Abegglen concludes from his study that the development of industrial Japan has taken place with much less change from the kinds of social organization and social relations of preindustrial or nonindustrial Japan than would be expected from the Western model of the growth of an industrial society. The Japanese case suggests that Western experiences and the organizational system used in the West are not necessary to the introduction of industry into another social system. Although the technology of modern industry has been introduced into Japan, the factory organization has developed in a manner consistent with the historical customs and attitudes of the Japanese and with the social system as it existed prior to the introduction of modern industry. The Japanese system parallels its preindustrial feudal system of social organization although many changes have occurred and strains are now evident. Both the family organization and the factory organization are components of a common social structure; and as such the system of relationships within each grouping has a common structural base. These conclusions have important ramifications for efforts to industrialize other Asian countries

because they emphasize the need to understand the basic social system in order to establish a compatible industrial system and show why the typical Western industrial system of organization is most likely to fail in radically different societies.

Later support has been given to Abegglen's study through research conducted by Arthur M. Whitehill Jr. on the relations between cultural values and employee attitudes in the United States and Japan, which have significantly different social values. The research gathered statistics on the expectations of production workers in similar large organizations in the two countries and found that : 1. 55% of the Japanese and only 23% of the American respondents felt that management should continue indefinitely the employment of an unsatisfactory worker; 2. 68% of the Japanese and only 10% of the American respondents felt that a well-managed company should provide housing facilities for workers on a no charge or low rent basis; 3. 76% of the Japanese and only 31% of the American respondents felt that management should provide, if requested, personal advice to a worker who wishes to marry; 4. 68% of the Japanese and only 24% of the American respondents identified their company closely with their personal lives; 5. 54% of the Japanese and only 4% of the American respondents indicated close identification of the individual with company goals; and 6. 41% of the Japanese and only 10% of the American respondents are willing to work hard because they want to live up to the expectations of their family, friends, and society while 37% of the Japanese and 61% of the American respondents were willing to work hard because they felt responsible to the company and to co-workers (Whitehill, 1964,passim).

The above studies indicate that social values tend to mold at-

titudes of workers and that management success in human relations will depend, at least in part, upon understanding in depth the nature and impact of the social environment since it exerts a significant influence upon workers attitudes and behavior.

Authority and Organization in German Management
(Hartman, 1959)

Hartman conducted an intensive study to determine the source of authority in German management and the type of organization structure most frequently employed. He found that on the whole German views on "organization" are different from those held by management and management writers in other countries. German organizations may exhibit deficiencies in some respects but German management is more intensely and comprehensively concerned about the allocation of authority than is American management. The German firm has a highly centralized authority hierarchy -- the Unternehmer must control everything. He is the president of the firm and in complete control (unlike the Japanese president who is only a figurehead), he is the charismatic leader and his authority is unchallenged. The Unternehmer is defined as somebody with a passion for independent activity in business (an entrepreneur -- risk taker, innovator, and manager). The Unternehmer's authority is founded upon general belief in three ultimate values in Germany, the values of the Calling, Private Property, and the Elite Ideology.

The Calling is the ultimate value Berufung, or its derivative Beruf, which is a person's peculiar calling to take on a lifetime task, not necessarily occupational. The Calling derives from the will of God which manifests itself in particular physical and intellectual potentialities, the peculiar appeal of a certain profession to the individual con-

cerned, and the concrete opportunities emerging from the personal and social situation. The choice of occupation, therefore, constitutes a commitment to the will of God.

The ultimate value of Private Property is rooted in Natural Law. According to this set of assumptions, every man has certain innate and inalienable rights which are given by some ultimate donor and are final -- beyond proof or challenge. Among such rights are life, liberty, and private property. Established property rights are defended strongly by German Catholic entrepreneurs, owner-entrepreneurs, and others and are rooted deeply in the German popular mind. The large majority of people identify the leading man of a business establishment with the owner.

The Elite Ideology is the claim to elite standing over society at large. The intention of managerial elite claims in Germany is to expand the attributes presumably or actually held by management and to have them accepted by the wider populace. The value system inherent in this ideology is ultimate in two respects: 1. management does not claim elite status with respect to a specific task, area, or group but rather in relation to total society; and 2. some of the management qualities are ultimate as well. Frequently, managerial elite claims are backed by references to technical competence in leadership and past success in the reconstruction of Germany. The least generally accepted of the above three ultimate values is the Elite Ideology.

The three systems of ultimate values have two potential consequences for the pattern of superiority-subordination in the German firm: 1. they can justify management's claim to leadership; and 2. they can support the stability of managerial authority. Such legitimization by ultimate values is not just acquired by claims and allegations but must

be accepted by those under managerial authority. The stability is largely a product of the self-evidence of the ultimate values and the pervasion of authority mostly derives from their universality. The ultimate values used in the justification of managerial leadership are largely accepted in German society, or at least propagated on this scope.

Centralized organization structures reflect the strong deference to authority in German society which stems from the ultimate values. Personal trust, loyalty, and service are valued higher than production efficiency. Evident in the adherence to German ultimate values is the persistence of patriarchalism and the emphasis on the military and discipline. Industrial patriarchalism, which on the whole did not survive beyond 1925, not only stressed discipline and obedience but also implied a notion of community between the leader and the led. However, the position of the Unternehmer still reflects the traditional German emphasis on marked differentiation in status between management and labor. In popular conception, the Unternehmer is inextricably connected with ownership over the material resources of the productive process, risk taking, and rights determined by the will of God in following his Calling.

Hartman also found that the level of formal education in German management is very high compared to other countries and that there is an emphasis on technical education (the professional Calling) for management qualifying. However, he found that at the same time there is much managerial aversion to formal management training because the acceptance of ultimate authority, as of the value systems underlying it, is in the nature of belief implying that management training is not necessary as those who are Called will have natural ability.

Hartman concludes that the problems of managerial authority and

industrial organization can best be explained in terms of values underlying this authority. The German ultimate values of the Calling, Private Property, and the Elite Ideology explain the unchallenged authority of the Unternehmer, the success of the resulting highly centralized organizational authority structures, and the relatively minor control exerted by labor in spite of German law which gives labor a voice on corporate boards of directors.

Robert Weiss previously predicted that empirical research would lead to the above conclusions regarding Germany because of a greater emphasis on role-taking in superior-subordinate relationships, a greater emphasis on lines of authority, and much less emphasis on informal communications relative to the United States. He predicted that the result would be a more efficient, less flexible organization lacking in innovation (except from leaders), less responsive to needs and wishes of workers, and dependent on leadership rather than co-operation to accomplish tasks. In other words, he expected that more bureaucratization, fewer group decisions, less trustworthy peer relationships, and heavier responsibility on centrally placed executives would be found to exist in Germany (Weiss, 1956, pp 549-51). Hartman's study supports Weiss's predictions. Both authors indicate that a basic causal factor of organizational behavior differences between societies is a difference in values or culture.

Steel Management on Two Continents (Harbison, et al, 1955)

This was a pilot study conducted to compare a German and an American steel company of approximately the same size in number of employees, and to point out the causes of differences in organizational structure. The American company was more highly mechanized and produced twice the steel tonnage of the German company. It was found that the German company had nearly twice as many people in top and middle management and that they had much higher formal education than the American company's management. The same was true in the two highest supervisory levels, but the American company was found to have ten times the number of senior technicians (430 versus 43 in the German company) all with good training. The American company also had many more foremen, all with proportionately higher education, fewer gang leaders and an equal number of workers.

Causes of the differences were found to be: 1. The German company and industry was older, therefore, fewer executives were promoted from the ranks to meet expanding needs; 2. the stress in the American company was on new technology resulting in much more automation, therefore, fewer workers per highly qualified supervisor and greater productivity; 3. the American emphasis was on management co-ordination of staff for technical work while the German management had to have broader technical backgrounds; 4. there was (and is) greater upward mobility and class mobility in America, therefore, more foremen were promotable to

higher management positions than under the fairly rigid German class system; and 5. higher education was available to a greater proportion of American youths than German youths. However, the German management reported trends to more highly qualified supervisors, etc. as mechanization proceeds. This led the authors to conclude that technological development in the steel industry requires quite extensive expansion and development of supervisory and managerial personnel and at the same time necessitates rather extensive revisions in the structure and functioning of the managerial organization at all levels.

An Experiment on Participation in a Norwegian Factory
(French, et al., 1960)

This study was conducted in a Norwegian shoe factory to determine if the benefits achieved from increasing participation by workers in production and other decisions in the United States could also be achieved using the same methods in another culture. The general hypothesis was that there would be a positive relationship between participation and the following dependent variables; 1. production; 2. management-worker relations; and 3. job satisfaction, which reflects the results obtained in the United States.

The results obtained in the Norwegian experiment were in the anticipated direction but not to a degree that was statistically significant. The production levels did not vary between the control and experimental participation groups and this was determined to result from relatively strong group standards for the 'fair' or 'safe' level of production and fear that the ratchet principle would be applied to lower the piece rate and raise the standard as the production rate increased. There was some moderate support for the hypothesis regarding improvement in manage-

ment-worker relations which is partially explained by a lower belief in the legitimacy of participation and a higher resistance to change than in the United States. Similar effects could account for the insignificant increase in job satisfaction.

The authors concluded that the difference in cultural values between America and Norway helped to explain the difference in view concerning the legitimacy of participation. The Norwegian workers had a stronger tradition of being organized in a union than had the workers in the American factory tested previously by others. This in turn could produce an attitude that the legitimate pattern of participation should be through union representatives rather than direct participation of the workers. Such results could only occur in a more highly authoritarian society than that of the United States. Thus this study indicates that cultural values can affect organizational behavior.

Organizational Contrasts on British and American Ships
(Richardson, 1956)

Richardson studied the purpose, organization, and behavior on 7,000 ton British and 7,000 ton American merchant ships with crews of 40 seamen and officers. These were ships on which the technology, equipment, and work methods were approximately the same. He found that the purpose, formal organization, and work tasks were the same, or very similar, for ships of both nations and between ships of each nation. However, he found significant differences in behavior between British and American crews. The differences were most evident in the emphasis on social stratification. Rank differences, which traditionally provide pressures towards maintaining approved patterns of behavior, exist in both British and American ships to indicate formal social stratifications. However,

American seamen played down stratifications and status symbols thereby reducing the social distance between the various ranks. The American stress was on equality of treatment and control over authority, while on British ships social distance was a matter of course and was emphasized by the men. The British seamen realized and accepted the authority of competent persons and were not as fearful of misuse of authority as the Americans were.

Richardson found that the differences were directly relatable to cultural differences. British seamen are conditioned in childhood to accept authority, are taken at a younger age for training, and are trained through methods that stress continued authority acceptance. The training results in the typical British officer being orientated towards the company rather than his union, a lack of formal union activities on the part of British seamen while at sea, and effective functioning of status symbols as cues for self-regulation. American seamen are conditioned during childhood to question and distrust authority, are trained in independent academies or under close and active union supervision in a union that teaches brotherhood and equality contrary to the official social hierarchy, and begin training when they are older. The American system requires formalization of procedures in training, in maintaining patterns of behavior, and especially in placing constraints on authority as there is little provision for self-regulation within the social system. The result is that the typical American officer is union orientated, the seamen participate actively in formal union activities on board ship, and the authority hierarchy is weakened.

Richardson's study did not indicate clearly whether a British or American crew would respond more effectively and efficiently in an

emergency although he did imply that the British reaction would be better in such a case because he feels that there must be a clearly designated hierarchy of responsibility that makes provision for rapid communication and execution of orders during emergencies. British ships have such a hierarchy while American ships must rely on formalized procedures to avoid charges of misuse of authority. Thus, the cultural differences between British and Americans operating through their beliefs and attitudes have important effects in the operation and maintenance of a social system developed to meet an identical purpose in a similar environment.

Two Concepts of Authority (Miller, 1964)

Miller conducted an historical study of two widely different types of societies -- the European and the Central Algonkian Indian societies. The differences between these two types of society were so great that when seventeenth century Europeans first encountered the Algonkian Indians in North America they could not discover any form of government among the Algonkians. There were eight Algonkian tribes and they were village dwelling hunters who indulged in intertribal warfare and alliances without any recognizable authority structure -- much like the tribal social organization in sixth century England except that in England there was a rigid authority structure which was primarily recognizable in the lord-follower relationship. The Algonkians had no formal system for co-ordinating collective action such as the European societies have had throughout their history.

Miller found that the key to the European system is the numerous superior-subordinate role relationships which have always been important for the co-ordination of activities. The role relationships validate the authority of the superior, perpetuate the system regardless of individuals

filling the roles, establish prestige and functional differentials, and give direction to actions. Europeans view power as being passed down from higher authority which is tied to European religious conceptions, many of which utilize the notion that power originates in a supernatural being and flows down from there through a series of less supreme immortals and the hierarchy of the church. The result is a pyramidal authority structure of vertical relationships down which authority is conceived as flowing. That is, Europeans view authority as something which has substance and is vested in known quantities in given positions depending on their height in a vertical structure. The ranked authority system is as indispensable to European organization now as it was in the seventeenth century and before.

On the other hand, the Algonkians regard such an authority system as oppressive and intolerable. They view authority as stemming from interactions and use entreatment rather than orders to accomplish desired tasks. Central Algonkian religion places its deities at the four corners of the universe and on the same plane as humans. Power is not vested permanently in any god or individual but is conditional, constantly subject to loss for failure to accomplish the task for which it has been granted. Algonkians do not seek power and even those who are granted it cannot give orders and do not gain adulation or hero worship. They consider it both dangerous and immoral for one individual to exercise any substantial control over others. The Algonkian moral code centers on the individual's self respect which he cannot maintain if he submits to control by another. The Algonkians have chiefs but they act only as spokesmen for the collective opinion, exert no control, are easily replaced, and do not hold hereditary positions. The infrequent ceremonies and

other co-ordinated activities are co-ordinated through tradition, where each person acts as they did the year before, rather than by any formal organization. Cultural directives are internalized and conformed to with an intensity equal to the intensity of resentment for external direction and this eliminates the need for formal co-ordination even of activities participated in by an entire tribe.

The two concepts of authority presented by Miller are almost at the two ends of a continuum between totally rigid authority and no formal authority. The two concepts arise from the different values of the types of societies considered. European values centre on roles with prestige differentials while Algonkian values centre on individuals with a lack of prestige differentials and a lack of formal,hierarchical structure in Algonkian organizations.

Conclusions

The above empirical studies indicate the importance of social values in determining organizational behavior in different societies. The authority structure, decision-making process, status systems, communications networks, job incentives or motivation for work, education, degree of mechanization, methods of control, organization recruiting methods, promotion policies, limits on advancement, desire for advancement, work methods, proliferation of formally designated positions, and extent of formalization of procedures all appear to be particularly susceptible to the influence of social values. These empirical studies indicate that organizational efficiency and effectiveness in any society can only be achieved through the use of methods acceptable to that society as determined to a considerable extent by its social values. The studies

also indicate that social values and the strength of belief in social values differ from society to society because of differences in religion, climate, physical environment, and history.

The next chapter will present a study of some extensive and durable Canadian social values and delineate the intensity of belief in them relative to American values as revealed in current literature. Historical, religious, and environmental factors which most likely influenced the development of Canadian values will be used to aid in the drawing of comparisons. The next chapter will provide the basis for predictions of the organizational behavior that can be expected to exist in Canada.

CHAPTER III

DOMINANT CANADIAN SOCIAL VALUES

Introduction

The purpose of this chapter is to delineate the intensities of belief in some dominant Canadian social values which probably exert observable influences on Canadian organizational behavior. The intensities of belief in Canadian social values will be described in relation to the intensities of belief in reported American and European social values and thus will be qualitative rather than quantitative in nature. The values to be considered are all extensive and of long duration in the Canadian society as a whole but not necessarily in isolated regions of Canada. The general approach has been chosen so that the predictions to be made in the next chapter will provide a broad base for future empirical research which could incorporate regional differences in Canadian organizational behavior. In other words, this chapter is intended to provide, from existing literature, the nucleus for an understanding of the strength of belief in some dominant Canadian social values. The final chapter will present predictions of the behavior that these dominant Canadian social values are expected to induce in Canadian organizations.

The social values to be discussed are: equalitarianism, achievement, mobility, individualism, universalism, and specificity which have been found to be of a lower intensity in Canada than in the United States; and conservatism which has been found to be of greater intensity in Canada. The high intensity of belief in conservatism in Canada results, most like-

ly, from the historical development of Canada and conservatism, in turn, has most likely been a primary causal factor in reducing the intensity of belief in other Canadian social values in relation to American values. The lower intensity of belief in equalitarianism, achievement, mobility, individualism, universalism, and specificity is reflected in behavior in the Canadian society which will, in turn, be reflected in Canadian organizational behavior.

The United States has been used as the basis for most comparisons because it adjoins Canada on the North American continent, has a history that covers approximately the same period in time, began as a colony of European powers, and has exerted a considerable influence on Canada's development particularly since the American War of Independence. In addition, America is the epitome of economic development and productive efficiency. The historical development of Canada and the United States has been considerably different and the results provide a good basis for comparison and contrast. The main differences between the development of these two countries are that the United States has a revolutionary origin while Canada does not, and the American frontier was developed by pioneers acting on their own while the Canadian frontier was developed under the control of formal institutions of law and order (Underhill, 1960; Clark, 1962; Morton, 1964; Lower, 1952; and others). These differences have been of prime importance in the development of the relative intensities of Canadian and American social values. The lack of a revolutionary beginning and the controlled frontier has tended to increase conservatism and decrease equalitarianism, achievement, mobility, and individualism, in particular, in Canada relative to the United States (Lipset, 1963, Chapter 7).

The following sections on Canadian social values will point out

some of the historical, religious, climatic, and environmental factors which were influential in the development of Canadian values. Each section will also include examples of behavior in the Canadian society which serves to illustrate the intensities of Canadian social values relative to American social values. This information will enable the drawing of conclusions regarding Canadian social values which will, in turn, enable the prediction of the organizational behavior that exists in Canada. Future empirical research, beyond the scope of this study, would be expected to confirm, but could well contradict, the conclusions to be drawn from considerations of reported Canadian social values.

Conservatism

Conservatism, as defined in the behavioral sense, is the desire to preserve the status quo, to resist change in patterns of traditional activities, to avoid risks and risky ventures, to withhold opinions and hide emotions, and to exhibit restraint in all activities. The extent of belief in the value of conservatism will be evident in the amount of caution and restraint observable in societal behavior. A society that values conservatism highly will most likely lack dynamism and change, have a relatively slow rate of economic development, and exhibit a dis-taste for showy, eye catching, and seemingly unplanned activities.

Conservatism is valued with a greater intensity in Canada than in the United States but with a lower intensity than in Great Britain (Lipset, 1963, pp 250-1). The result is that Canadians are more reluctant to take risks and are much slower to innovate and introduce technological change than are Americans. Relative to Americans, Canadians exhibit less optimism, faith in the future, and willingness to risk capital; and

greater caution, reserve, and restraint (Naegele, 1964b, p 501). It is expected that conservatism will have exerted a considerable influence on organizational behavior in Canada since this value has been prevalent from the beginning of Canadian history.

The conservative tradition began in Canada with the French colonization in the seventeenth century which brought many characteristic French institutions and attitudes to Canada but few of the traditional institutions that had served to limit the authority of the catholic church and the monarchy in France (Lower, 1952, p. 48). Thus the early Canadians were subject to strong rule which undoubtedly served to engender restraint in individual activities. This condition was continued when the eighteenth century British conquest did not destroy the traditions of the French Canaian colony but guaranteed its survival as French and catholic (Morton, 1964, pp 14-17). Underhill points out that the strength of conservative elements was added to by the influx of loyalists who fled to Canada as a result of the American Revolution. They were escaping the practical application of equality, liberty, and the pursuit of happiness which they had fought against in support of the English cause (Underhill, 1960, p 12).

The majority of the loyalists who came to Canada went to the Maritimes which had remained loyal to the Crown to protect its trade prosperity in the face of English sea power (Clark, 1959, pp 104-11). Lower points out that the loyalist leaders were members of the privileged class in America, and the communities they set up in the Maritimes were based on control by those with class and privilege. Although formal privilege did not survive throughout Canadian history, it probably exerted considerable influence toward developing Canada into a much more conservative oriented democracy than the United States (Lower, 1957, pp 114,

116, & 120). The loyalists did not comprise a majority of the Canadian population at the time but many of them held positions of great power, and their acceptance of British traditions coupled with the French Canadian acquiescence to British rule ensured a society that would not be revolutionary in nature.

Thus Canada does not have a revolutionary tradition and where "the nationalism of the United States is founded on violent repulsion from England, that of Canada originally rested on the repulsion of the United States (Lower, 1957, p 120)" and the repulsion of early democracy. This aspect of behavior in Canadian history has political connotations as seen in the repression of attacks on political institutions. Reform movements were considered a threat to Canada's existence because it was feared that chaos created by reform movements would lead to annexation by the United States (Clark. 1962, p 190). The fear of revolutions in Canada is evident in the lack of support for, and the short lives of, the Upper and Lower Canada rebellions an 1837-38 and Howe's movement in Nova Scotia as reported by Lower. These were rebellions of the under-privileged "against the small knot of privileged people of the day and their misgovernment. (...) Since the rebellions (...) did not succeed, the inheritance they left for posterity naturally took the form of a party pattern based on (...) considerations" of the rights of the privileged (Lower, 1952, pp 52-3). The fear of reform most likely led to the nineteenth century acceptance of political domination by businessmen -- "the moderates" -- who retarded democracy and repressed labour activities (Underhill, 1960, pp 13-5). Thus the society and government of Canada has been conservative -- pro-British and anti-American -- and reform has been branded, distastefully, as Americanism.

Conservatism is also evident in the way in which the Canadian economic empire was expanded during the late nineteenth and the early twentieth centuries. Underhill reports that economic expansion depended upon exploitation by big business enterprises and privileged groups with the support and financial aid of a strong national government. The government could only give the support and financial aid as long as it ensured that it satisfied the particularist sectional, racial and religious interests in the country and this caused the parties in power to become highly sectional and devoid of radicalism. The extent of national government support for development was required because Canadians did not have the personal capital, drive for adventure, and willingness to take risks that were needed for independent enterprises in the Canadian North-West (Underhill, 1960, pp 32-40, & 53-6). Clark also reports that settlement of the Canadian West was rather strictly controlled by the national government to prevent annexation by the United States. The frontier was not advanced by pioneers acting on their own, as in the United States, "but by advancing armies and police forces, large corporate economic enterprises, and ecclesiastical organizations, supported by the state (Clark, 1962, p 214)." Thus, the settlers never were responsible for their own protection, which perpetuated the tradition of respect for the institutions of law and order, weakened the spirit of liberty and individualism, tempered the influences of Calvinism, and maintained the strength of the aristocratic traditions and rights of the privileged few with wealth in Canada (Clark, 1962, pp 188-94). This also served to retard the development of political radicalism in Canada.

Political radicalism did develop in Canada but not to any widespread extent until well into the twentieth century, and then mainly in

the West and other poorer areas of the country where there have been evangelical churches and few class distinctions (Lipset, 1964, passim; and Clark, 1964, pp 291-97). Radicalism in the West also may have been contributed to by the large percentage of foreign-born adults in the prairie provinces and British Columbia (Porter, 1965, p 36). However, the radicalism of the new political parties that developed in Western Canada has subsided rapidly because of the need to satisfy the desires of sectionalist groups to gain wide acceptance in Canada, and because the founding evangelical groups have been basically conservative in nature (Zabuta, 1961, passim; and Clark, 1964, p 292).

Large and influential religious organizations also have been a strong force for conservatism in Canada. The Roman Catholic Church opposed the 1837-39 reform movement in Lower Canada thereby gaining the support of conservative French Canadians for the status quo although the movement was against British control which restricted French Canadians from power positions (Clark, 1959, p 459-60). The failure of the American revolutionists in Nova Scotia meant that many Congregationalist pastors had to flee south to the United States, and ultimately led to the dominance of the Church of England in Nova Scotia (Clark, 1959, pp 111-12). The temperance and sabbatarian movements which began in the early nineteenth century (and still affect all provinces except Quebec) were initiated by the Methodist, Baptist, Presbyterian, and Congregationalist churches and these movements provided a strong conservative influence in Canada which is evident in the slowness of repeals of laws originated during the temperance and sabbatarian era (Burnet, 1961, passim).

Clark feels that the strength of religious institutions have been instrumental in developing values that have served to retard economic

development in Canada:

In poorer sections of the country where the resources of the population are limited (...) financial contributions to religious bodies have probably continued to be a factor in retarding economic growth. In another closely related way, the religious interests of the population have tended to obstruct economic interests. Religion has given support to an attitude of mind, and a governmental policy, which has placed a check upon that kind of economic and social mobility conducive to the development of capitalism. Churches are essentially status institutions (...) [and] the strength of the aristocratic tradition in Canada owes much to the influence of religion. (...) Where the Protestant religious organization has been strong the Protestant population has tended to be as economically unprogressive as the Roman Catholic population (Clark, 1962, pp 173 & 175).

That Canadians place a high value on conservatism is evident also in the feelings against public quarrels, emotional public displays, public ridicule, and ostentatious displays of material possessions; and in the Canadians' defensive fear of being themselves, excuses made for shortcomings rather than praise of accomplishments — a psychology of defeatism which leads to a will not to win but to endure, and means that Canadians will suffer heavy punishment without complaint (Underhill, 1960, p 212; Lower, 1952, pp 64 & 79-80; Morton, 1964, p 112; and Naegele, 1964b, pp 510-12). This Canadian attitude appears to pervade most public undertakings and to hold them back and limit their success. The felt need for restraint in Canada is evident in the Canadian failure to provide the educational reforms and impetus needed to meet the demands of the post World War II industrial expansion for professional and skilled workers (Porter, 1965, pp 43-7). Porter also suggests that the Canadian fear of controversy is evident in the major federal political goal which is the maintenance of national unity. Thus the Canadian political focus is on the maintenance of the status quo or administrative politics rather than creative politics and has caused all major political parties to become conservative in nature (Porter, 1965, pp 369-73).

The literature leaves little doubt that Canadians have a high intensity of belief in conservatism which probably has aided in retarding economic and technological growth of the country and is likely to exert considerable influence on other Canadian social values. Conservatism likely has been a major factor in causing Canada to remain much less dynamic than the United States and probably has had an indirect effect, through restrictions on social mobility, in Canada's failure to expand the population through immigration. Canada has had many immigrants in the past 100 years but it has had almost as many emigrants, mainly to the United States where there are greater mobility opportunities (Porter, 1965, p 30). In addition, Canadian conservatism has probably been instrumental in delaying educational reforms that are necessary before Canada can develop into a fully industrialized country (Porter, 1965, pp 43-7).

Equalitarianism

Equalitarianism, as defined by Lipset, is the belief that all persons should be respected because they are human beings, the belief that status differentials reflect accidental and temporary variations in social relations that can be overcome by individual effort, and the belief that all men should have equal political and social rights. A high intensity of belief in the value of equalitarianism should lead to a freer society with greater tolerance of individual job differences, less distinct social stratifications, less concern for developing leadership, and greater tolerance of lawlessness (Lipset, 1963, Chapter 7).

Equalitarianism is a dominant value in the Canadian society; however, it is not held with as great an intensity in Canada as in the United States, although of greater intensity than in Great Britain (Lipset,

1953, pp 249-51). Canada has a greater intensity of belief in elitism than the United States as indicated by the existence of "the establishment" in Canada and the lack of any such group identification of the elites in the United States (Lipset, 1963, p 270). Clark and Lower maintain that the Canadian frontier exerted pressures for equalitarianism but that its influence was reduced by the controlled development of the frontier which resulted from a felt need to guard against absorption by the United States. The Calvinistic influence and the hard frontier life tended to increase equalitarianism, while the long history of colonial obedience and the continuation of aristocratic traditions, to provide a bulwark against the American influence, tended to reduce equalitarianism. The reduced intensity of belief in equalitarianism is reflected in the greater respect for authority and the more patriarchal family structure in Canada relative to the United States (Clark, 1962, pp 190-4; and Lower, 1952, p 80).

Equalitarianism is expressed in Canada by the lack of hard and fast social class distinctions and the average worker's expectation that his children will end up higher on the social scale than he is (Lower, 1952, p 38). Although Canada does not have a strict class system in the European tradition it does not measure up to the North American myth of a classless society because Canada has its own peculiar class system (Mealing, 1965, p 214; and Porter, 1965, pp 60-103). Canada has a diversity of distinct ethnic groups arranged in a vertical hierarchy of preference for social position, and elite power, which has remained relatively stable over time (Porter, 1965, pp xii-xiii, and see pp 60-103 for relevant statistics). In other words, although there is a good intensity of belief in equalitarianism in Canada and a blurred social class structure (at least within any given ethnic group), a class structure does

exist which, on the whole, restricts the level of social class and power attainable by individuals in Canada unless they are of British origin. The Canadian elite structures, except those of the Roman Catholic Church and the French section of the Royal Society of Canada, are filled predominantly by Canadians of British origin (Porter, 1965, pp 201-519).

Goodspeed argues that respect for formal rank and privilege have been declining since the early time of colonial rule, and that the classlessness of Canadian society is evident in the choice taken to add social equality to the previously existing civil and political freedoms. However, he also points out that the conferring of formal rank on Canadian citizens by the British monarch was not irrevocably prevented until 1935 when the Liberals regained power under W. L. M. King (Goodspeed, 1957, passim). In addition, Porter points out that political freedom did not really exist in Canada until universal suffrage was granted in 1921, and that before then the right to vote depended on property ownership and income. The concern of Canadian political leaders for their chances of remaining in power, rather than for the theory of democracy, is still evident in the high degree of gerrymandering used in the selection of new electoral boundaries (Porter, 1965, pp 370-1). Morton indicates that the stress of the Canadian government is not on the ideals of equalitarianism. While the American government guarantees life, liberty, and the pursuit of happiness, the Canadian national government guarantees peace, order, and good government in accordance with the British North America Act. It is up to the individual to achieve life, liberty, and happiness under the existing governmental system according to his own taste (Morton, 1964, p 111). The above factors, which indicate a lower stress on equalitarianism, are most likely a result of the strength of

conservatism in the Canadian society, the high respect for established leaders, and the low tolerance for political deviance.

There is a long history of acceptance of authority in Canada which began during the French rule with strong monarchical and church authorities, was continued during the British rule, and was reinforced by the influx of the United Empire Loyalists. Lower claims that influential loyalists filled positions of power and privilege in Canada and led the agitations that brought about the first Canadian constitution (an act of the British Parliament) in 1791. That constitution determined that "'Democracy' was to be confined within reasonable limits by the appointive Legislative Council and especially by the creation of a colonial nobility, with hereditary rights to seats in the Council, which was to be a colonial House of Lords (Lower, 1957, p 124)." The Legislative Council was replaced by the Senate, under the British North America Act in 1867, in which the seats are not hereditary but are filled through appointment, and may only be given to someone holding \$4,000 or more in real property (Brown and Merritt, 1961, p 24), which is a small amount in 1967 but was a very considerable property holding in 1867. That Canadians have accepted and still accept a "constitution" that is an act of the British Parliament supported by amendments made by the same body, and never ratified by the Canadian population, is an indication that authority is valued relatively highly in Canada.

Canada is governed by a representative government with a cabinet appointed from the elected representatives in the party that holds the majority of parliamentary seats and forms the government. This electoral system gives the electorate considerable power over the government in theory, however, the power of the electorate has been reduced by the way

in which many cabinet ministers have been selected. During a twenty year period (1940-60) there were a total of 88 new cabinet ministers in Canada, and of these 18 were co-opted into the cabinet prior to their election to the House of Commons, and a further three were co-opted into the cabinet through seats in the Senate -- 24 percent of the top governmental policy makers were selected initially from among other than elected representatives (Porter, 1965, pp 399-400). This method of selecting governmental policy makers, which appears to have been accepted by the Canadian electorate, serves to weaken the power of the electorate over the political elite in Canada.

Entry into the elites in Canada has been restricted mainly to those of middle class or higher origins in spite of considerable population and economic expansion during industrialization. Porter found that the class origins of members of the three most powerful elites in Canada were (in respective order for upper, middle, and lower than middle class):
1. Economic -- 37.8, 44.4, & 17.8%; 2. Bureaucratic -- 18.1, 68.7, & 13.2%; 3. Political -- 24, 75, & 1% (Porter, 1965, pp 292, 444-46, 393-95 respectively). Thus, only small percentages of the members of these powerful elites had experienced very high social mobility under conditions that should be very favorable for social mobility. Even in the labour elite 30 percent of the members were found to have lower middle, middle, or upper middle class origins (Porter, 1965, p 344).

There appears to be a consistent pattern of feeling in Canada that authority should be accepted because it is the "right" of those in privileged positions of power. Such a feeling is not as strong in Canada as in Great Britain which is highly elitist (Lipset, 1963, p 250), however, its existence does reflect a lower intensity of belief in the

value of equalitarianism and an acceptance of limitations on individual attainment possibilities. The degree of perpetuation in elite membership shown above reinforces the impression gained from historical developments, which is that Canadians tend to accept rather than challenge authority. In other words, Canadians do not have an exceptionally high intensity of belief in the equalitarianism value.

Achievement

Achievement, as defined by Lipset, is the belief that it is possible for all to obtain success, the belief that diligent hard work will be rewarded by success, the belief that it is better to strive for success than to sit idle and do nothing, and the belief that it is better to look forward to future accomplishments than to dwell on any past failures. A high intensity of belief in the achievement value will lead to: an emphasis on hard work, on skilled and professional education, on developing and using new technology, and on improving conditions generally; an inability to be satisfied with any given level of attainment in all activities; and a strong drive to increase productivity throughout society (Lipset, 1963, Chapter 7).

Achievement is a dominant value in Canadian society where it is held with a somewhat lower intensity than in American society, although with a greater intensity than in British society (Lipset, 1963, p 249). The emphasis on conservatism and elitism in Canada has probably had a considerable influence on the development of a lower intensity of belief in the value of achievement. Achievement, being founded upon the belief that success is attainable by all who try hard, encourages the taking of risks and a lack of caution which is counter to the value of conservatism.

and, therefore, more likely to receive a lower emphasis in Canada. The intensity of belief in the achievement value has most likely been reduced also by the effect of relatively hard natural conditions, and large areas of permanent wilderness which made development more difficult. Canada did not have great surges of wealth during the nineteenth century such as those that gave much impetus to development in the United States (Lower, 1952, p 78).

An example of differences in development between Canada and the United States can be taken from the two comparable gold rushes in the nineteenth century. The California gold rush in 1849 took many people to a relatively fertile land where, even if they could not gain wealth through gold, they could at least survive and later prosper through agricultural and fruit growing ventures. The population of California has increased considerably since the gold rush. The Yukon gold rush in 1898 took many people to a harsh and relatively sterile land which they had to leave to avoid starvation, if they could not gain wealth through gold. When the gold supply declined, the population of the Yukon dwindled to a fraction of the peak it reached during the rush, and the population of the Yukon has remained low since that time. This example is extreme, but it is a case where an early surge of wealth probably did much to aid the development of the United States and encourage the belief that success was attainable, while the later surge of wealth in Canada probably had a small permanent effect on encouraging a belief in achievement.

Even without great surges of wealth, achievement and advancement has been a part of Canadian life. An image of the usual progression for Canadian families has been from poor pioneer, to comfortable farmer, to

urban citizen of varying fortunes and success (Lower, 1952, p 73), but it is doubtful that this could be considered a rapid transition. Early studies indicate that such advancement has been the rule for immigrants as well as native-born Canadians, and that off-farm migration has been high for all ethnic groups as well as the Canadian population as a whole (Porter, 1965, pp 52-3, 75-6, & 140-1) in spite of the feeling in Canada that people of some ethnic origins are best suited to farming. This represents achievement because, as Porter points out, off-farm migration has been accomplished without any reduction in total acres under cultivation in Canada through increases in farm size, increased mechanization, higher education, and better managerial skills. However, the off-farm migrants have not always advanced upon moving to urban areas because their relatively lower level of education has relegated them frequently to occupations that rate lower than farming on the social scale (Porter, 1965, pp 142-4 & 159). Thus, the off-farm migrants may not be encouraged by a belief in achievement possibilities but a desire for survival, although their children may become orientated towards achievement because of better educational opportunities available in urban areas.

Some emphasis on achievement is evident in the increasing level of education for the population of Canada as a whole (Porter, 1965, pp 156-9 & 174-5). However, Lipset suggests that this emphasis is low in Canada, relative to the United States and other countries, as evident from the lower proportion of the population, in the 20-24 age group, that was attending universities and colleges in 1956. In descending order the proportions of this age group in universities were: United States (27.2), Phillipines (14.5), Australia (12.1), Puerto Rico (11.9), U.S.S.R. (11.1), Canada (8.0), Denmark (6.6), France (5.8), Scotland (5.1),

Western Europe (4.5), West Germany (4.1), and England and Wales (3.7) (Lipset, 1963, p 260). Among these countries Canada ranks sixth, well behind the United States, and not too substantially ahead of most European countries. Instead of emphasizing educational changes in Canada, the policy of the government has been to encourage immigration of skilled workers and young entrepreneurs with capital to set up their own businesses and create jobs for unskilled (and uneducated) Canadians (Porter, 1965, p 56).

Achievement is also evident in the increasing incomes, and changing shape of the total income distribution, in Canada (Porter, 1965, p 133). However, Porter suggests that one of the best ways for an individual to advance in a developing industrialized economy is through increased education. If the intensity of belief in achievement is high, there should be a tendency towards a uniform, high emphasis on advanced education in the society. But, in Canada, the emphasis on advanced education varies considerably according to social class and ethnic group and, in general, university education is reserved for those individuals from higher than average income families. Also, the lower the parents' occupational status, the greater the school drop-out rate (Porter, 1965, pp 172-91). When questioned, high school students have given several prominent reasons for not planning to go to university including; "other educational plans, not interested, studying too difficult, and employment plans;" but have not tended to emphasize a lack of money (Porter, 1965, p 192). The lack of emphasis on education, by the people whose future careers are shaped by the educational level they reach, indicates a lower emphasis on achievement in Canada, and a willingness to be satisfied with a given level of attainment or perhaps a slight increase.

There is a concensus in the literature, which has been well summarized by Morton, that indicates that the struggles for development in Canada have had a considerable influence on the perceived lower intensity of the achievement value in Canada relative to the United States. Morton maintains that Canada is a country of economic hazard and external dependence which has caused Canadians to develop a common psychology of endurance and survival. He points out that Canadians have been beaten many times, and suggests that the experience has taught them that the important thing is not triumph but endurance — that the real victories are victories over defeat (Morton, 1964, pp 111-2). If he is correct, this common psychology should engender a cautiousness in exploitations for advancement and a desire to protect what has been attained rather than to achieve all that is possible. This could be cited also as a cause for the lower emphasis on higher education in Canada since higher education embodies opportunity costs, at least to the extent of wages given up, and thus, perhaps, a risk that is considered too high, especially among low income families.

Although achievement is considered a dominant social value in Canada, there are several indications that it is not believed in as intensely in Canada as in the United States. The lower intensity of belief in the achievement value has probably served to retard social and economic development in Canada. Social development will be reflected particularly in the intensity of belief in the value of mobility in Canada which will be discussed in the next section.

Mobility

The social mobility value is the belief that it is possible to

attain elite status through individual efforts in a competitive society, and the belief that social advancement is possible and that individual efforts will be rewarded by success for one's self or one's children (Lipset, 1963, pp 222 & 272). The physical mobility value is the belief that physical moves are essential to advancement, and the belief that it is better to strive for advancement in a new and challenging job than to be content with secure advancement by seniority in a job that is no longer a challenge. Mobility is closely related to achievement and, in general, the greater the intensity of belief in one of these values, the greater should be the intensity of belief in the other. A higher intensity of belief in the mobility value should lead to greater emphasis on education and educational reform, a greater willingness to move physically from one geographic region to another, a greater willingness to change jobs, a lower acceptance of unearned or inherited status differentials, a more cosmopolitan outlook, and a more dynamic society. The intensity of belief in mobility will be reflected particularly in the degree of social mobility and the opportunities provided for social mobility in the society.

A reduced intensity of belief in social mobility is evident from the lower intensity of belief in equalitarianism and achievement in Canada. And a lower intensity of belief in physical mobility could exist in Canada because it is divided into isolated regions: the Appalachian, Canadian Shield, St. Lawrence Lowland, Interior Continental Plains, and Cordilleran regions: such that Canada has become, effectively, a series of clusters of settlement separated by rock, forest, and lakes (Lower, 1952, p 31). The Annapolis Valley, St. Lawrence Lowlands, Central Plains, and Fraser Valley are fertile areas separated by permanent wilderness which could have restricted the early physical mobility of all but the

most adventuresome pioneers, thereby fostering feelings of regional isolationism.

Submissions to the Royal Commission on Bilingualism and Biculturalism indicated that regional isolationism could be one of the major problems facing Canada because of the lack of physical contact and understanding between regions (Royal Commission, 1966, p 58). However, Porter reports that there has been physical mobility in Canada, as suggested by the shifting provincial populations from the less to the more industrialized areas. The Maritimes, Quebec, Manitoba, and Saskatchewan have been losing native-born residents in migrations primarily to Ontario, British Columbia, and Alberta. Most of these migrants have been young adults who see little opportunity in regions or industries that are declining. Physical mobility is also evident in the population shift from farm to urban areas but it is difficult to determine whether this apparent emphasis on mobility is high or low. However, the relatively low level of education of off-farm migrants has tended to restrict their social and occupational mobility in urban, industrialized areas (Porter, 1965, pp 145-7).

Porter asserts that in an industrial society perhaps the most important indicator of the intensity of belief in the mobility value is the degree of social mobility that exists, and the emphasis placed on measures that improve the social mobility of individuals in society. Evidence exists that lends much support to a theory that not only the off-farm migrants but Canadians generally are retarded in social mobility because of a lack of education or educational facilities. This evidence has led Porter to conclude that since Canadians have not instituted the educational reforms needed to improve their social mobility, Canada does

not have a highly mobility orientated society (Porter, 1965, pp 42-3).

Perhaps one of the best ways to determine the degree of social mobility of the native-born in an expanding industrial society is to examine how the increased need for professional and skilled workers (or the incremental increase in positions available) have been filled.

Porter reports that during the decade from 1950-60 approximately 85,000 professional workers have immigrated to Canada while 40,000 emigrated mainly to the United States. The immigrant professionals filled 32 to 36 percent of the incremental increase of 243,000 professional positions available during this period. During the same period approximately 201,000 skilled workers immigrated to Canada while only 30,000 emigrated to the United States. Since there was an incremental increase of 340,000 skilled jobs during the period, this means that immigrants filled 50 to 60 percent of the new skilled jobs (Porter, 1965, pp 45-8). Major proportions of the new demand for professional and skilled personnel in Canada from 1950 to 1960 were filled by immigrants, which means that the social mobility of native-born Canadians has been retarded during a period of high economic and social development. Porter feels that this has occurred because the higher educational institutions have not been sufficiently democratized, nor have they had the resources (teachers and classrooms) required to train the number of new specialized workers needed (Porter, 1965, p 46). Canadian educational institutions have not been motivated sufficiently towards attempting to fill the new demands of industry. The social mobility deprivations of Canadians, coupled with the stress on skilled and professional immigrants, has arisen because the Canadian society "is not mobility orientated and has not made mobility values the underpinnings of its educational system (Porter, 1965, p 54)."

There is some indication of a change in the social mobility orientation as evident in the expansion of technical training facilities for skilled workers in Canada. One example of which the author is aware is the recently established Canadian Vocational Training program aimed at upgrading workers with low education and no formal skills. This program indicates to the author that Canadians are possibly becoming more mobility orientated or, conversely, that the Canadian educational system has now begun to reflect a social mobility orientation that Canadians have had but did not express before. This relatively new emphasis on manual skills and clerical training does not provide great social mobility, but it may lead to a gradual upward shift that could remove other barriers to social mobility.

Porter has found that one barrier to university education in Canada is psychological. The amount of education received and the results of intelligence tests are related to social class position. This reflects a lower social mobility value because it means that "in Canada little has been done to remove the barriers imposed by social conditions on the individual's educational opportunity." Staying in school and going to university, as well as the course program taken by the individual who reaches university, has been associated with the father's occupational status. Thus, the most frequent pattern in Canada has been for a young person to enter an occupational status similar to that of his father, or slightly higher than his father's (Porter, 1965, pp 172-91).

Canadians have expressed the view that the diversity of cultures in Canada, or the mosaic of ethnic groups, as opposed to the American "melting pot" type of society, has been highly beneficial to Canada and has enabled its development as an independent nation (Royal Commission,

1966, pp 50-7). It is difficult to assess the validity of that belief, but Porter suggests that the diversity of ethnic groups has been detrimental to Canada because the vertical hierarchy of preference has reduced the social mobility of all but those in the primary ethnic group -- Canadians of British origin. The social preference is evident in the predominance of Canadians of British origin (or birth) in all of the elites in the Canadian society except the Roman Catholic Church hierarchy (French) and the French section of the Royal Society of Canada (Porter, 1965, pp 201-519). The social mobility discrimination is illustrated well by an examination of one of the powerful elites:

An examination of the social origins of the economic elite shows that power belongs almost exclusively to those of British origin, even though this ethnic group made up less than half of the population in 1951. (...) [Only] 6.7 percent could be classified as French Canadian although the French made up about one-third of the population in 1951. (...) [Other] ethnic groups (...) which made up about one-fifth of the general population were hardly represented at all (Porter, 1965, p 286).

This situation existed even though Canadians of Jewish, Asian, and Scandinavian origins were proportionately more highly represented in school (between the ages 5 - 24) than those of British origin and much more highly represented in school than those of French origin in 1951 (Porter, 1965, p 89). Thus, not only education, as indicated previously, but ethnic origin serves as a barrier to social mobility in the Canadian society where diversity is valued highly.

Porter found that entry into the elites in Canada is determined largely by birth or marriage into the upper classes in society, or by specific patterns of public, private school, and university education, as indicated by the example of the economic elite (Porter, 1965, pp 282-95). The high origins, career, and educational patterns of the majority of Canadians of elite status is a further indication that the intensity

of belief in mobility is relatively low because unearned or inherited status is valued highly. An example of the importance of the "proper" education for entry into Canadian elites is given by Porter's assessment of Upper Canada College:

Values and beliefs are as important as technical competence, and they are acquired through socializing agencies such as families, schools, and clubs. Some of these agencies become the preferred sources of recruits to elite roles. When Upper Canada College is extolled for its production of successful men the praises are usually in terms of technical competence, but there is a feeling, no doubt, that this private school produces also in terms of values the right kind of men to be leaders. (...) The expression that the battle of Waterloo was won on the playing fields of Eton is almost reproduced in the pride with which Upper Canada College claims that so many of its old boys obtained the rank of brigadier or higher in World War II (Porter, 1965, pp 265 & 285).

The information examined in this study indicates that there is a relatively low intensity of belief in the mobility value in Canada. Canadians appear to have accepted restrictions on their social mobility that are imposed by regional isolationism, lower educational opportunities, psychological barriers to higher education, and the preferences given to Canadians of British origin in the elites. Canadians have tended to accept their social positions instead of agitating for the educational and other reforms that would remove the deprivations they are now subjected to. The attitudes that indicate a higher intensity of belief in conservatism are reflected once again in the lower intensity of belief in mobility in the Canadian society.

Universalism

Universalism, as defined by Lipset, is the belief that all should be treated according to the same standard (e.g. equality before the law). A higher intensity of belief in universalism results in less emphasis on social class and status, and more participation by the lower classes in the

society's activities. The intensity of belief in universalism appears slightly lower in Canada than in the United States, but greater than in Great Britain (Lipset, 1963, pp 209, 249-66). Thus, there is some greater emphasis on social class and status in Canada than in the United States, but the difference in emphasis is not great, as shown by the lack of class voting in Canada that was found and explained by Alford in a recent study:

Class voting is low in Canada whether we use education, income, or occupation, singly or in combination, as the measure of class position. (...) Class voting is low in Canada because the political parties are identified as representatives of regional, religious, and ethnic groupings rather than as representative of national class interest, and this, in turn, is due to a relative lack of national integration. (...) Neither class nor national identities are well developed, and the major diffuse solidarities or attachments of people are regional and religious identities. (...) Canadian [political] parties have [therefore] been characterized for at least sixty years by a lack of both doctrine and a stable class base (Alford, 1964, pp 313-4, 318 & 322).

The previous discussions of mobility and conservatism in Canada indicated that there is a fairly distinct class and status system associated with membership in the elites of society. However, the size of the elite groups would force them to draw their political support from the lower classes in order to control the government. Another factor that could give the impression of a classless society, and result in little class voting in Canada, is the small size of the middle and upper classes as measured by Porter from reported income in tax returns. The tax returns indicate that only four percent of Canadian families, in 1955, had incomes higher than \$8,000 per year, which is probably the minimum required to achieve the "standard" middle class life. Possibly other Canadians could achieve this standard through income obtained by the wife working, or through a small inheritance, but the general low income level means that

most Canadians would be classed as low middle and lower class (Porter, 1965, pp 112-3). The image of a classless society would tend to increase the intensity of belief in the value of universalism in Canada.

The strength of the conservative and elitist traditions in Canada as indicated by: the lack of reform movement; the controlled economic expansion; the lack of radical political parties; the strength of religious institutions; the reserve, caution, and lack of emotion in public; the deference to authority; the restrictions on entry into the elites; the degree of perpetuation in the elites; and the strong ethnic bias in the elites, would tend to reduce the intensity of belief in universalism in Canada, causing it to be lower than in the United States. The conservative and elitist traditions mean that Canada has a relatively distinct and stable class structure, and a reasonably high level of acceptance of inherited status differentials, which would not exist in a society with an exceptionally high intensity of belief in universalism.

The diversity of ethnic groups and the hierarchical preference ordering of their social standings in Canada would also tend to reduce universalism. However, this effect is abated because there is no strong prejudice preventing members of any ethnic group from advancing into the upper middle class or perhaps higher. For example, Jews are not restricted from becoming high ranking professionals but only a few Jews have been able to enter the elites (Porter, 1965, pp 85ff, 286 & 291).

The net result of all influences is that universalism is valued highly in Canada but the belief in universalism is not quite as intense in Canada as it is in the United States. Thus, although there is low class voting and virtually no class politics, most Canadians do not participate extensively in the society's activities. If Canadian society

is to be considered classless, it must be considered lower than middle class as the proportion of the population that is middle class or above, and is therefore eligible for entry into the upper strata and the elites, is very small. The influence of universalism towards a classless society and less rigid status systems will not be as great in Canada as it is in the United States as the relatively lower intensity of belief in universalism is complemented by the relatively greater intensity of belief in elitism in Canada.

Specificity

Specificity as defined by Lipset is the belief that all individuals should be treated according to the specific positions that they occupy and merit rather than diffusely as members of collective groupings. In other words, if specificity is a value held with high intensity by a society, elite membership, for example, will not automatically compel respect since respect must be earned through the individual's capable performance in his position. The more intense the belief in specificity, the greater the tolerance of political deviance, the greater the access to power by the electorate over the elite, and the greater the strain imposed by socialist welfare-state concepts (Lipset, 1963, pp 209-10 & 269).

Specificity appears to be held with a lower intensity of belief in Canada than in the United States because Canadians tend to be more elitist and to treat elite individuals as members of a collective body to which respect is due (Lipset, 1963, p 270). In other words, Canadian elite members are seen as members of "the establishment" which, although apparently not as clearly defined as in Great Britain, is frequently referred to in Canada. Thus, relative to Americans, Canadians should tend

to play roles or to command respect through selective group membership rather than through individual achievement. An example of the importance of roles in Canada is the requirements for elite membership found by Porter. Generally given as the primary requirement is ability, but in Canada a social origin in the higher strata of society (middle class or above) is almost essential to the achieving of elite status (Porter, 1965, pp 292, 393-5, & 444-6). Besides the elite power roles, many cognate or allied roles are reserved for members of elites, especially the economic elite, in Canada. Elite members are expected to fill governing roles in trade associations, professional institutes, ad hoc commissions, and philanthropic organizations (Porter, 1965, pp 293-9). The honorific roles that automatically accrue to the economic elite greatly expand their power in society:

Organized philanthropy across the entire nation is governed by the corporate elite, honorifically if not actually. The boards of charitable organizations, symphony orchestras, art galleries, institutions for delinquent boys (and not so delinquent ones), universities, and hospitals are almost exclusively the preserve of the corporate elite (...). What is brought under their sponsorship, what is worthy of support is often a decision for them to make (Porter, 1965, p300).

"The relationship between corporate experience -- promotion, merger, and proxy battle -- and the" philanthropic and humanistic roles that economic elite status automatically qualifies these materially orientated individuals for is not clear except that corporations provide much of the funds for many of these philanthropic organizations (Porter, 1965, p 301).

The value of roles in Canada is also evident in the restrictions placed upon roles that university professors may fill. Canadian university professors appear to be discouraged from becoming involved in politics actively (counter to the British tradition) and tend to be restricted to an ideological role only (Underhill, 1960, p 107). Thus, few professors become

involved in politics. Porter found that successful scientists in universities do not find their way into the corporate elite either, partly because Canadian industry undertakes very little research, but also because the scientist role is not held in high esteem by the Canadian public. On the whole, scientists are acceptable outside the universities only for elite roles in the governmental science bureaucracies and, thus, their careers are restricted to academic or bureaucratic patterns (Porter, 1965, pp 510-1).

There is also a prevalence of stereotyped roles in Canada for those other than in the elites. For example, English-speaking Canadians tend to think of French Canadians as "habitants" and to consider the Quebec society as agrarian, although Quebec, since 1871 at least, has had only a slightly lower proportion of urban population than the average for the whole of Canada (Royal Commission, 1966, pp 79-80 & note). There is little doubt that the rank order of ethnic groups in occupations results to some considerable extent from stereotypes attached to each ethnic group in Canada (Porter, 1965, pp 75-83).

The emphasis on ethnic group membership in Canada is, by itself, an indication that specificity is not valued highly in Canada relative to the United States where the "melting pot" society subverts ethnic origin and concentrates on individual accomplishments, for the most part (Porter, 1965, p 71). The strength of the New Democratic Party, acceptance of medicare in Saskatchewan, the proposed introduction of a comprehensive medicare plan for Canada on July 1, 1968, and state ownership of several corporations all indicate that the belief in specificity is not extremely intense in Canada. The introduction of socialist welfare-state concepts has not caused extensive conflict in Canada.

In summary, it appears that specificity is not held with as intense

a belief in Canada as in the United States with the result that level of position rather than merit will tend to determine authority wielded and respect received. In addition the possibility of entry into the elites of Canadian society is generally based as much on social origin as on merit, which makes status and role playing relatively important. The lower intensity with which specificity is held in Canada is also reflected in the lower intensity of belief in individualism.

Individualism

Individualism is the belief in autonomy for personal actions, the belief that conformity is bad and dissent is good, the belief that individuals should be recognized and rewarded for their achievements (e.g. hero worship is good), and the belief that every person should be free to protect his own rights and secure his own future rather than accept group standards secured through collective action. A high intensity of belief in individualism coincides with a high intensity of belief in equalitarianism, achievement, mobility, and universalism in leading to a high emphasis on hard work, education, new technology, social tolerance, lawlessness, active participation, and a more dynamic society.

Canada, with its lower stress on equalitarianism and universalism, is somewhat more collectivity-orientated, or places a lower stress on individualism, than does the United States (Lipset, 1963, p 270). This means that the rise of socialist welfare-state concepts will place a lower strain on the Canadian society than on the American society. Collective activities such as medicare and provincial and federal government ownership of many service and utility enterprises appears to have been accepted with little dissent in Canada.

The development of the Canadian West served to reduce individualism because the pioneers did not have to protect themselves but were protected by, and required to obey, the institutions of law and order that were advanced with the frontier (Clark, 1962, p 191). Canadians also have a record of leaving development to big business interests subsidized by government and have not exhibited strong individual drives for economic development (Underhill, 1960, pp 24-56). Group development of Canada and a proliferation of group orientated activities led Underhill to assert, "Canadians are too concerned with group solidarity to stand alone on principle (Underhill, 1960, p 151)."

That there is a lower intensity of belief in individualism in Canada has been recognized in a recent review of Canadian political philosophies (Horowitz, 1966, passim). Less individualism is evident in the principle role of the politician in Canada which is to govern as a broker between conflicting groups rather than to act as an individual towards the realization of a national vision (Hargrove, 1967, p 109). Elected political representatives in Canada do not act as individual representatives of their home constituencies but as members of their party caucus in presenting a solid group opinion whether they form the government or part of the opposition. Political party back-benchers are not allowed to act on their own, for the most part, to express freely their own or their constituents' opinions.

A lower stress on individualism is also indicated by research into the place of professions in Canada which revealed that proportionately more and more professionals are working for wages rather than individual fees (Hall, 1961, p 106). In other words, professionals in Canada, who should by the dint of their training be concerned with individual ac-

compliment and merits, are becoming more willing to accept the restrictions placed upon them by group participation in organizations.

Porter produced much evidence that Canadians do not emphasize individualism greatly with his revelation of the low emphasis on higher education, educational reforms, and developing technology in Canada (Porter, 1965, pp 40-53 & 151-5). Canadians don't appear to exhibit much individual drive, and are more willing to be content with what they have attained rather than to strive for more.

There is a good indication that Canadians do not place a high intensity of belief on individualism relative to Americans but prefer to stress collectivity. Rather than a drive towards individual achievement there is a tendency towards group and government attainment of benefits for all.

Conclusions

Relative to the American society, the Canadian society places a higher value on conservatism and a lower value on equalitarianism, achievement, mobility, individualism, universalism, and specificity. In other words, Canadians' belief in these dominant values is more intense and less intense respectively than that of Americans. This means that the Canadian society is less dynamic; more restrained, traditional, and unchanging; more tolerant of economic inequalities and social stratifications; more restricted and intolerant of lawlessness; less prone to placing high emphasis on hard work, education, and new technology; more satisfied with the present level of attainment and places less emphasis on increasing productivity; more parochial or regional in outlook; more willing to accept differential treatment; has less control of the

electorate over the elite; has a lower tolerance of political deviance; has a greater respect for civil liberties and minority rights; is more willing to accept socialist welfare-state concepts; exhibits less idealism, philosophy, and artistic creativity; and has less active participation in social and other activities than the American society.

The next and concluding chapter will combine the theory from the first chapter with theory relating to organizational behavior in order to make hypotheses of the organizational behavior that exists in Canada as a result of the influence of the dominant Canadian social values discussed above.

CHAPTER IV
CANADIAN ORGANIZATIONAL BEHAVIOR

Introduction

The previous chapter has indicated the relative intensity of belief in dominant Canadian social values, with respect to the implicit and explicit standard of the intensity of belief in American social values. The differences found lend support to the theory that the intensity of belief in dominant social values should vary from society to society. The differences will be given consideration in the formation of hypotheses about Canadian organizational behavior which will be presented in this chapter, because Lipset maintains that even slight variations in the intensity of belief in a pattern of social values should help account for important differences in behavioral patterns among societies (Lipset, 1964, p 325). Thus, Canadian organizational behavior should be unique, to some extent, to the Canadian society.

This chapter is intended to provide the basis for comparison of Canadian and American organizational behavior. For this reason, the formation of the hypotheses about Canadian organizational behavior will refer to American values and organizational behavior, implicitly and explicitly, as the standard. The hypotheses developed will consider modal tendencies only and will not attempt to account for possible deviations in different Canadian organizations as it is expected that there will be many exceptions. The hypotheses may be tested through an intensive comparative study that would examine several similar

organizations in Canada and the United States. The organizations studied would have to be selected on a basis that would hold all other things equal such as organization size, products or services produced, level of technology available, types of markets (especially with respect to dispersion and size), and so on, to enable valid comparisons of behavior. An empirical study would support the hypotheses if it found that there were significant differences between Canadian and American organizational behavior in the directions indicated later in this chapter. The hypotheses are intended to provide the basis for such an empirical study, and to provide some initial understanding of Canadian organizational behavior which could be useful in other analyses of Canadian organizations.

The major areas of organizational behavior that will be considered in this chapter are: authority structures; risk taking, innovation, and change; status systems and role playing; communications and interactions; and, decision making and problem solving. These elements of organizational behavior were chosen because they are considered to be the major directive elements that determine the overall effectiveness of the operations of organizations. They are also well suited to an empirical investigation as guides to research structure are available in the literature. Likert provides a series of continua that could be used to form appropriate questions to examine; authority structures; communications and interactions; and decision making (Likert, 1967, pp 4-24). Bakke provides a detailed discussion of the decision making and problem solving processes which could guide an examination of the extent and effectiveness of such activities in organizations, and their effect on overall organizational effectiveness (Bakke, 1959, pp 62-6). Several authors have outlined the features that they feel a creative organization

should have, and their outlines could be used to determine the likelihood of a high emphasis on risk taking, innovation, and change (Guetzkow, 1965; Merton, 1965; Bower, 1965; and Thompson, 1965 especially). Status systems and role playing have been described in an explicit manner that would lend itself to the preparation of an empirical research project (Barnard, 1951, passim; Hickson, 1966, passim; and Katz and Khan, 1966, p 173ff). The above references, then, could be used as guides in setting up an empirical research project to test the validity of the hypotheses to be presented in this chapter.

The extent of the influence of any particular social value was found, in Chapter I, to depend upon the intensity of belief in that value, its extensiveness and durability in the society, and the intensity of belief in other social values that may have coincident effects on behavior. The values of conservatism, equalitarianism, achievement, mobility, universalism, specificity, and individualism are all closely related and have coincident (although possibly opposite) effects on behavior in society and organizations. These values are all extensive and durable in the Canadian society as shown by the historical events that encouraged their development in Canada. Thus, these dominant Canadian social values are expected to provide a sound basis for the formation of hypotheses about Canadian organizational behavior.

The hypotheses will be restricted to the shape and rigidity of authority structures; the prevalence of risk taking, innovation, and change; the types and emphasis of status systems and the extent of role playing; the restrictions on, and effectiveness of, communications and interactions; and the rationale and validity of decision making and problem solving activities in Canadian organizations. These activities are

expected to be crucial to the development and operation of Canadian organizations and society as a whole.

Authority Structures

Authority structures are the hierarchical arrangements of levels of authority and responsibility that are used to control the operations of organizations. "Hierarchy may be defined as a system for ranking positions along a descending scale from the top to the bottom of the organization (Presthus, 1962a, p 31)." The amount of authority ascribed to any position in a hierarchy is the legitimate power vested in it as recognized and accepted by all persons who are concerned with the position in any way (Katz and Kahn, 1966, p 203; Thompson, 1961, p 57n; and Presthus, 1962b, p 125). The social context in which an authority structure exists is important to its legitimization. Things that are legitimate are those things that agree with the society and group norms and values which individuals have come to accept through the socialization process (Presthus, 1962b, p 125). Thus, social values will exert some independent influence on the authority structures of organizations because of the need for legitimization.

Presthus suggests that there are four main types of legitimization that affect the shape and rigidity of authority structures in any society. The first is legitimization by expertise which is mainly dependent upon the intensity of belief in equalitarianism and achievement through the extent of emphasis on technical skill and education. The second is legitimization by formal role which is mainly dependent upon the intensity of belief in elitism and mobility, and upon organization size. Mobility tends to reduce legitimization by formal role through the cosmopolitan

outlook of highly mobile individuals, as opposed to the parochial outlook of individuals tied to their organizations. Third is legitimization by rapport which depends upon the personality of each supervisor and may supplement, or reduce, the degree of legitimization usually attached to the position he occupies. The fourth is legitimization by a generalized deference to authority in the society which is aided by the group character of organizations. The shape and type of authority structure will be influenced by the relative strength of each type of legitimization method (Presthus, 1962b, pp 127-35).

The emphasis on each type of legitimization for authority structures in Canadian organizations should differ to some extent from that likely to be found in American organizations. The emphasis on technical skill is low in Canada relative to the United States (Porter, 1965, pp 42-56; Lipset, 1963, p 260), therefore, there should be relatively less legitimization by expertise in Canadian organizations. The higher intensity of belief in elitism and lower intensity of belief in mobility in Canada, relative to the United States, should result in more legitimization by formal role in Canadian organizations. There should be relatively less legitimization by rapport in Canadian organizations because the greater American belief in specificity and aura of respect for expertise (Lipset 1963, p 270) should increase legitimization by rapport in American organizations. The relatively greater deference to authority in Canadian society means that there will be relatively more legitimization by deference to authority in Canadian organizations. Thus, Canadian authority structures should tend to be legitimized by elitist and traditional beliefs and to be more stable than American authority structures which should tend, relatively, to be legitimized through technical competence.

The extent of legitimization by authority and formal roles should be evident in the shape and rigidity of authority structures. As described by Katz and Kahn, authority structures have two dimensions; the horizontal dimension determined by job function divisions, and the vertical dimension determined by gradations of power and prestige. For each job function division at one level there will be a supervisor position in the next highest level (Katz and Kahn, 1966, p 83). Then, the steepness of an authority structure will be defined by the ratio of supervisors to subordinates in job function divisions. A small supervisor-subordinate ratio, or narrow span of control, should be associated with close supervision, dependence upon superiors, and a high acceptance of authority (Blau and Scott, 1962, p 168). The pyramidal shape of authority structures is the result of two further influences: 1. the desire to reduce the risk of performance failures which leads to a proliferation of supervisory levels; and 2. the desire for efficiency which leads to efforts to reduce the costs of supervision (Katz and Kahn, 1966, p 210). Thus, the intensity of belief in authority, conservatism, and achievement all act together to shape the authority structure.

Since Canadians have a high intensity of belief in conservatism and authority, and a low intensity of belief in achievement, relative to Americans, authority structures in Canadian organizations should tend to be orientated towards control rather than efficiency of operations. That is, they should tend to be steep (to have low superior-subordinate ratios) with close supervision and dependence upon superiors. Relative to an American organization, a Canadian organization of comparable size should have more supervisory levels or gradations.

The rigidity of authority structures is a representation of

acceptable organizational behavior which is determined by the strictness of supervision, the type and channeling of formal communications, and the degree of freedom allowed for informal interactions in day-to-day operations (Thompson, 1960, pp 506-7). Likert provides a series of continua which outline clearly the elements that could be used in an empirical research program to determine the rigidity of authority structures. He suggests that rigid authority structures will be steep in order to ensure obedience to commands of superiors. The top management will have a great deal of responsibility and the amount of responsibility will decline rapidly in lower levels of the hierarchy. In rigid authority structures communications will be originated at the level of highest responsibility for any part of the operations, and passed downwards through the chain-of-command without by-passing any authority levels. Thus, control will be strict and subordinates will be allowed little, if any, autonomy in their formal activities (Likert, 1967, pp 4-24).

Presthus describes authority structures as networks of subhierarchies that are bound together by authority, interests, and values. The will of the elite (top management) is transmitted downwards through the leaders of subhierarchies, reinforcing their authority and status. Psychological forces determine the strictness of adherence to the chain-of-command for communications. In societies with a low intensity of belief in mobility and individualism, organizational authority should rely more heavily on the psychological and sociological factors for its power and should be more inclined to adhere to the formal chain-of-command (Presthus, 1962a, pp 138-40).

Authority structures should tend to be more rigid in Canadian organizations, than in American organizations, because Canadians have a

lower intensity of belief in equalitarianism, mobility, and individualism, and exhibit greater deference to authority than Americans. In other words, Canadians should be more willing to adhere to an established chain-of-command, to accept directives from those in higher positions, and should have a lower desire to act autonomously than do Americans. Formal, rather than informal, relationships should be more prevalent for co-ordination of activities in Canadian organizations.

A rigid authority structure should approximate Weber's description of the pure bureaucracy, which he suggested would have the following basic characteristics: 1. A high degree of job specialization; 2. A hierarchy of positions in a well defined authority structure; 3. A web of rules and regulations to govern decisions and actions; 4. Impersonality in dealings; and, 5. Life-time career security (as taken from Blau and Scott, 1962, pp 32-3). Merton maintains that a high degree of bureaucratization results in several major dysfunctions. One dysfunction is inflexibility in applied skills, or trained incapacity, which may cause the bureaucracy to lag in adapting to environmental changes. Another dysfunction is a tendency to overemphasize conformity in job performance which may lead to a concentration on means rather than ends -- the means may become ends in themselves. Formalism and ritualism may result in conformance to rules that interferes with achievement of organization purposes. Adherence to regulations for promotion by seniority induces timidity, conservatism, and technicism while at the same time inducing defensive actions to stereotype behavior and prevent change (Merton, 1959, pp 66-73). Presthus also points out several dysfunctions of bureaucratization. Organization size and an impersonal hierarchy may cause individuals to feel unimportant and to become some-

what alienated. Job specialization may serve to increase alienation because of reduced skill demands. And the importance of the individual may be reduced further by the unequal distribution of rewards which tend to cluster near the top of the hierarchy (Presthus, 1962a, pp 31-3).

As pointed out previously, Canadian organizations should tend to have more rigid authority structures than American organizations. The greater degree of deference to authority in Canada should result in a greater willingness to accept closer control over individual activities. At the same time, the higher intensity of belief in conservatism in Canada should lead to more efforts, on the part of higher management, to preserve the status quo and a higher degree of control. The result is that Canadian organizations should tend to approximate Weber's bureaucratic model more closely than American organizations. Thus, there should be greater tendencies towards "trained incapacity," excessive rules and red tape, job specialization, and inequalities in the distribution of rewards (especially monetary and status rewards) in Canadian organizations. However, it is difficult to hypothesize about the effects that this may have towards alienation of individuals as the lower intensity of belief in equalitarianism, achievement, mobility, and individualism in Canada may offset the bureaucratic dysfunctions predicted by Presthus.

But bureaucratic authority structures may not be firmly established and unchanging. As Thomson points out, authority structures are complex systems of administrative and technical specialist functions that must act together and yet are valued differently. Social prestige and status accrues to the administrator who advances up the hierarchy, while the technical specialist is limited to advancement in relatively low sub-hierarchies. This creates frustration and conflict in authority structures

between technical specialists and administrators (Thompson, 1960, pp 507-12). At the same time, the sheer volume of knowledge and complexity of organizations is increasing the need for technical specialists, and increasing the resulting tensions (Presthus, 1962a, p 29). This means that top administrative management's primary significance probably can not remain as the apex of the authority pyramid but must shift eventually to a collaborative position with staffs of technical specialists, in order to provide impersonal mechanisms of control and a wider view for planning long-range objectives of organizations (Blau and Scott, 1962, pp 185-6). Thus, increasing technology should act to reduce the rigidity of authority structures and to change the mechanisms of control because of conflict between technical specialists and administrators. The reduced emphasis on education and technology that Porter found to exist in Canada, means that there should be less pressure to change bureaucratic authority structures in Canada because there will be fewer technical specialists and professionals. Also, Canada has had to depend on the immigration of professional and skilled workers to fill major proportions of the increasing demand for more highly qualified personnel under present conditions (Porter, 1965, pp 42-56). Rather than being pressured for changes in authority structures because of an over supply of technical personnel, Canadian organizations may be experiencing difficulties in filling their increasing needs for technical personnel. Porter feels that the shortage of technical personnel is probably compounded by the emigration of native-born Canadian professionals to the United States. The selection and promotion procedures within Canadian bureaucracies leads to conflict between Canadian professionals and administrators, which professionals may overcome comparatively easily by moving to the United States

where there are greater mobility opportunities (Porter, 1965, pp 46-7).

In addition, most of the immigrating professional and skilled workers who come to fill the demand in Canada, come from the United Kingdom and European countries (Porter, 1965, pp 46-7), which have societies that are more elitist than Canada (Lipset, 1963, p 249). Thus, immigrating technical specialists should be less inclined to exert pressure for change in authority structures than are native-born Canadian specialists.

Thompson feels that one main feature of hierarchies is that they tend to perpetuate the status quo, and to a greater extent the more rigid the hierarchy. The superior has the right to expect obedience from subordinates, which gives him autocratic and arbitrary command in a bureaucracy. A technically necessary specialty may acquire unofficial power and influence for professionals, but such specialties require an institutional environment that encourages rationalism and an overall (or universalistic) view of the organization in order to be most effective. A strict authority structure stresses the personal goals of rights and authority, and a concentration on narrow, administrative problems which serves to retard the effectiveness of technical specialists. The established positions of hierarchy members give them the advantage over the innovators who stress technical competence rather than adherence to rules (Thompson, 1961, pp 57-82). Since Canadian authority structures are expected to be more bureaucratic, technical specialists should express many dissatisfactions about the conditions under which they must work and their probable lack of influence in directing organizations towards their objectives, because of the greater control that should be exerted by administrators. Limitations placed on the advancement possibilities

and effects that specialists can have on Canadian organizations is evident in the large numbers of Canadian professionals who emigrate to the United States each decade, in spite of the good demand for professionals in Canada (Porter, 1965, p 46).

The intensity of belief in equalitarianism, or on the other hand elitism, should exert a major influence on authority structures. Equalitarianism serves to weaken the power structure of authority hierarchies because individuals with a high intensity of belief in equalitarianism will not value authority highly and will resist subordination (Marquis and Goldhammer, 1961, p 57), and vice versa, if elitism is valued highly. Since equalitarianism is held with a low intensity of belief in Canada relative to the United States, Canadian organizations should have more rigid and centralized authority structures than American organizations. The pyramid of hierarchical positions should tend to be steep in Canada, with clearly defined channels of communication that cannot be by-passed under most circumstances. The relatively high intensity of belief in elitism in Canada means that there should be a tendency towards well defined superior and subordinate roles that should be adhered to. There should be a relatively lower level of dissent from subordinates in Canada, as compared to the United States, and thus, few actions that tend to weaken the power of the hierarchy of authority.

The low intensity of belief in mobility, and especially social mobility, in Canada relative to the United States should tend to strengthen the authority structures in Canadian organizations. When the degree of mobility is low the activities of individuals should be restricted by their greater concern for job security and protecting the social level that they have attained, rather than aspiring to advancement up the hierarchy.

(Marquis and Goldhammer, 1961, p 49). Since Canadians have a relatively lower intensity of belief in mobility, they should be more willing to accept the social positions they have attained, thereby increasing the power held by each level in the hierarchy and attaching greater legitimacy to it. The relatively low aspirations for advancement on the part of Canadians is also evident in their lower intensity of belief in achievement and individualism relative to Americans. Thus, Canadians are more likely to be willing to await advancement by seniority. Since advancement by seniority depends more on not causing trouble than on individual merit and drive (Merton, 1959, p 65), the major Canadian incentive should be to obey orders from superiors and to produce only as much as superiors demand through explicit instructions.

In summary, the hypotheses can be made that Canadian organizations should tend to have authority structures that are legitimized by elitist and traditional beliefs, and to be more stable than American authority structures which should tend, relatively, to be legitimized through technical competence. Canadian authority structures should tend to be steep with close supervision and dependence upon superiors. Relative to an American organization, a Canadian organization of comparable size should have more supervisory levels or gradations. Authority structures should tend to be more rigid in Canadian organizations than in American organizations. There should be greater adherence to the established chain-of-command, greater acceptance of directives from higher authority, and formal relationships should be more prevalent for co-ordination of activities in Canadian organizations. In other words, Canadian authority structures should be more bureaucratized and exhibit greater tendencies towards "trained incapacity," rules and red tape, job specialization, and

inequalities in the distribution of rewards. There should be less pressure to change bureaucratic authority structures in Canada than in the United States, and lower use of technical specialist skills which should generate unproductive conflict between professionals and administrators. Dissent and conflict should not be openly evident in organizational activities but subordinates will likely voice many complaints among themselves, while they wait for promotion by seniority and avoid breaking formal rules. A greater bulk of responsibility should rest with managers in the upper echelons of the hierarchy, and subordinates should have considerably less autonomy in Canadian organizations than in American organizations.

Risk Taking, Innovation, and Change

Risk taking is defined as innovation and change which are embodied in the application of new technology to bring about economic development through increased productivity (Higgins, 1959, pp 202-3). Risk taking is usually thought of as involving the risk of loss of a capital investment. However, as Evan points out, innovation may embody a technical or mechanical change in production processes or equipment, or a new product or service; or it may embody an administrative change in communications, information handling, resources allocations, personnel qualifications, authority structure, decision making, and so on. Technical innovation frequently involves the risk of a new capital investment in anticipation of future profits, which are readily visible; while administrative innovation may not involve any direct capital expenditure but rather the risk of loss of effectiveness versus the anticipation of increased effectiveness, which is not readily visible (Evan, 1966, p 51).

Since Canadians have a greater intensity of belief in conservatism than Americans, it is expected that Canadian organizations will exhibit fewer tendencies to take risks for technical and administrative innovations.

Innovation and change serve many purposes in organizations. Organizations and their environment are highly interdependent so that organizations must change to keep pace with changing boundary conditions and changing society in order to maintain their existence (Bennis, 1966, p 44). Much incentive for mechanization originates from high and rising labour costs and a shortage of materials which represent increasing, or changing demands of society (Blau and Scott, 1962, p 212). As professionalization increases in industry, a major purpose of innovation and change is to meet the ever increasing aspirations of professionals who are never satisfied with any given level of accomplishments (Merton, 1965, p 57). Administrative change is necessitated by increasing organization size because of the greater complexity of operations. Innovation is required for better communications, decision making, and organization structures to facilitate rationality, control, and effectiveness (Blau and Scott, 1962, p 216).

One major premise of the Canadian government has been that stability of the economy and society is essential for existence as an independent state. Such a premise is probably a result of the influence that business and other large organizations have exerted over the Canadian government since the nineteenth century (Underhill, 1960, pp 13-15). Partisan interests resulted in controlled economic expansion, and oligopolistic market controls which would tend to retard forces that exert pressures for change in organizational boundary conditions, so that there should be less pressure for innovation in Canada. For example,

Porter points out that Canadian unions have not been as highly active as American unions in efforts to increase wages and improve working conditions. In addition, Canadians have not placed as high an emphasis on education, new technology, and professionalization (Porter, 1965, pp 309-18, & 42-56). Thus, sources that provide much of the purpose for innovation and change have not been emphasized highly in Canada, relative to the United States, and it is expected that this should lead to lower innovative activity in Canadian organizations.

Thompson and Blau and Scott assert that one major cause of innovation and change is conflict and power plays in organizations. Change occurs as opposing groups adjust to each others needs and demands in their operating roles. Innovations that adapt operations to meet new situations are made often in opposition to, or violation of, official procedures. Power plays may take significant roles in this process of adjustment and change in organizations, and may lead to more innovations in efforts to resolve the power conflicts (Thompson, 1961, p 103; Blau and Scott, 1962, pp 174-5, & 251). The values of equalitarianism and achievement, which are prevalent in a democracy, serve to encourage conflict, the extent of which will depend on the intensity of belief in these social values. In a democracy the conflict that develops is conducive to change because, as Bennis points out, "democratic structures express the feeling that what has been arrived at today is probably only a partial solution and may well have to be changed tomorrow." In other words, democracy leads to change because it finds fault with itself (Bennis, 1966, p 28). Presthus' discussion of the functions of conflict for inducing change centres on organizations in the American society where there is a relatively high intensity of belief in equalitarianism

and achievement. He asserts that conflict has been the historical source of change and adaptation to meet internal and external challenges to society and organizations, and that conflict and criticism is the very beginning of creativity. Besides serving as a source for innovation, conflict serves as the means for testing the need for, and validity of, any proposed innovation or change because, when opposing views are allowed, innovations will not be accepted automatically (Presthus, 1962a, pp 288-94).

The relatively lower intensity of belief in equalitarianism and achievement in Canada, as compared to the United States, means that there will be less impetus for constructive innovation and change induced by conflict in Canadian organizations. Throughout Canada's history, conflict has been discouraged and suppressed, thus, Canadians tend to avoid conflict and to present a relatively united front in all group activities. For example, there has been less open conflict, fewer major strikes and less strike activity, between workers and employers in Canada than in the United States and Australia where equalitarianism is held with a greater intensity of belief (Lipset, 1963, p 202). The lower intensity of belief in achievement in Canada relative to the United States means that there should be less emphasis on hard work, education, new technology, and improving conditions generally; a greater willingness to accept a given level of attainment; and less emphasis on increasing productivity in Canada than in the United States. Thus, Canadian organizations should tend to be more stable and to exhibit less felt need for innovation and change than American organizations.

The rigid hierarchy of authority that exists in highly bureaucratized organizations also serves to retard innovation through its tendency

to maintain the status quo, because the bureaucratic orientation is conservative. As Thompson asserts, "Those having a bureaucratic orientation are more concerned with the internal distribution of power and status than in organizational goal accomplishment." Thus, bureaucratization leads to innovations that are "segmented, piecemeal, and slow" in order to avoid rapid changes in the status quo. New ideas are retarded because they are speculative and risky, especially in connection with personal goals of power and status (Thompson, 1965, pp 4-10).

As pointed out previously, Canadian values are expected to encourage and perpetuate the development of bureaucratic authority structures. Canadians place a relatively low emphasis on new technology and skilled and professional education (Porter, 1965, pp 42-56; Lipset, 1963, p 260) and thereby tend to increase, rather than reduce, the strength of bureaucratic structures. Canadians also have a high intensity of belief in conservatism relative to Americans, which should serve to reduce the tendency towards risk taking, innovation, and change in Canadian organizations because conservatism emphasizes the maintenance of the status quo. Thus, Canadian organizations should exhibit less innovation and change because the authority structures should tend to be more rigid and bureaucratized.

Several authors have outlined the features that they feel are essential to creative organizations, organizations in which innovation and change are the very essence of their existence, rather than something that is undertaken with much reluctance. The creative organization invests in basic research; flexible, long-range planning; and experiments with new ideas rather than prejudicing them on rationalistic grounds (Alexander, 1965, p 236). It evaluates new ideas on their merits rather

than the status of the originator or, in other words, has an objective, fact-founded approach (Bower, 1965, pp 170-4). Merton maintains that the essence of a creative organization is an increasing number of professionals and technical specialists, who maintain the rate of innovation through competition for professional excellence, rather than for power and prestige. Thus, it must have a heterogenous personnel policy to get a range of professionally competent members, and a security of administrative routine that allows innovators to roam (Merton, 1965, pp 53-8 & 62-3). Guetzkow asserts that the creative organization will be more decentralized, diversified, and have a risk-taking ethos that tolerates and expects the taking of chances. It will have idea units absolved of other responsibilities which will include marginal, unusual types of persons in order to gain a different outlook or slant. The creative units will be separated from productive functions and allowed freedom to choose and pursue problems or, in other words, will be organizationally autonomous (Guetzkow, 1965, pp 37-45). The creative organization will also need a flexible organization structure to enable it to adapt to change (Bennis, 1966, p 20). The kind of structure where benevolent intellectual competition determines who has authority and command under each different situation, rather than malevolent status and power competition (Thompson, 1965, p 12). All of these authors stress a high degree of adaptability for the creative organization, rather than a rigid authority structure and fixed rules of operation. Thus, they recommend a condition in which there is a high degree of instability in the positions held by personnel, except as determined by technical and professional competence.

Canadian organizations (industrial in particular) engage in little

basic research, and status and authority are important for gaining recognition of technical ability in Canada (Porter, 1965, pp 511 & 179-91). Canadian values do not emphasize highly a need for social mobility and achievement, with the result that the ranks of professionals and technical specialists are expanding slowly in Canada and are dependent on immigration, rather than the upgrading of the native-born population, to fill the technical specialist needs (Porter, 1965, pp 44-8). Thus, there should be a relatively low emphasis on innovation through competition for professional excellence in Canadian organizations, because there is most likely a shortage of professional personnel compared to present needs. Canadian organizations should tend to have bureaucratic authority structures -- the opposite of the type that Guetzkow recommends for a creative organization. The authority structures should tend to be centralized, specialized, lack a risk-taking ethos, and to be more concerned with close control than providing the loose structures needed for idea generation. The lower intensity of belief in achievement, mobility, and individualism in Canada relative to the United States is expected to foster a greater emphasis on organizational stability and security of position, rather than an emphasis on the development of creative, risk-taking organizations in Canada.

The lower intensity of belief in equalitarianism in Canada relative to the United States may exert the greatest influence towards a reduced level of risk taking, innovation, and change in Canadian organizations. There should be less conflict in interactions because Canadians should be more willing to accept differential treatment, and the decisions of the elite and upper management. Rather than demanding equality in treatment and the right to question the validity of decisions

made, Canadians should tend to defend the rights, authority, and competence of those in high organization positions. Thus, there should be relatively less pressure to adapt to unstable conditions.

In summary, the hypothesis can be made that Canadian organizations should tend: to exhibit fewer tendencies to take risks for technical and administrative innovations; to be subject to less pressure for change from unstable boundary conditions; to have less pressure, from technical specialists, for innovation and risk taking; and to be subject to less conflict and fewer power plays, which induce risk taking. Canadian organizations should tend to have bureaucratic authority structures which should serve to inhibit attempts at innovation and lead to incremental changes. There should be a greater emphasis on organizational stability and security of position, rather than on the risks embodied in conducting basic research, rapid expansion of operations, a high use of technical specialists, and creative idea generating units free from operational responsibilities. In other words, the level of risk taking, innovation, and change should be lower in Canadian organizations than in American organizations.

Status Systems and Role Playing

Status systems are the systems used to designate "the allocation of differential amounts of authority, income, deference, rights, and privileges to the various positions in the hierarchy (Presthus, 1962a, p 36)." Status systems are interrelated with the formal roles that exist in organizations. Formal roles specified within organizations are the patterns of behavior that individuals are expected to follow in meeting the operating requirements of their positions (Katz and Kahn, 1966,

p 173). Status systems and formal roles, applied coincidentally with authority structures, complete the designation of hierarchical positions. Differential role expectations are associated with various social positions, which are determined by status and authority (Blau and Scott, 1962, p 4). Positions of higher authority are imputed with proportionately larger amounts of status, relative to positions of lower authority, to an extent that is dependent upon the values of society (Presthus, 1962a, p 33). The distinctiveness and rigidity of status systems and roles corresponds very closely with the distinctiveness and rigidity of authority structures (Thompson, 1960, p 488).

As already stated, Canadian organizations should tend to have rigid and more highly bureaucratized authority structures and, thus, should have highly distinctive and rigid formal status systems that lend themselves to a high degree of role playing. The lower intensity of belief that Canadians have in equalitarianism, mobility, and universalism, relative to Americans, means that Canadians should tend: to place a greater emphasis on formal role status; to attach proportionately greater amounts of formal status to high authority positions; to place greater emphasis on formal status differentials; and to be more concerned with obtaining formal role status than Americans. Where American status systems should tend to emphasize the status of achievement through hard work and competence, Canadian status systems should tend to emphasize the status of formal positions, earned or unearned. Thus, the status systems of Canadian organizations should be relatively more rigid, and formal roles should be more strictly defined, in order to protect the proportionate amounts of status attached to the positions that individuals have attained. The greater intensity of belief in elitism and authority in Canada

should reinforce the status systems and role definitions, since Canadians should tend to defer to authority, and to accept subordination without rebelling. The greater emphasis on status and roles should be evident in a greater use of titles and terms of respect in formal and informal interactions in Canadian organizations.

Status systems make authority roles highly visible and may increase efficiency by reducing ambiguity and conflict, facilitating communications and co-ordination, enhancing motivation and discipline through the promise of highly valued rewards, and serving to internalize and develop a sense of responsibility (Barnard, 1951, p 293; Presthus, 1962a, pp 36 & 154-5). But status systems may also be dysfunctional to organizations by enhancing the tendency to ascribe exceptional competence to those of higher rank, diverting attention from work to a competition for formal status differentials, earned and unearned, attaching more importance to borrowed prestige, and generally reducing flexibility and adaptability in organizations (Presthus, 1962a, pp 150-5; Barnard, 1946, p 82). The dysfunctions of status systems should be more prevalent in organizations where the importance of status is more highly emphasized, and technical specialization and innovation receive lower emphasis. Thus, in Canadian organizations, there should be more evidence of the dysfunctions of status, through greater diversion of individual efforts from work productivity to attempts to gain formal status differentials.

Thompson points out that, in innovative organizations, formal role status systems can be almost unavoidably dysfunctional. Social values equate success with social prestige or status where authority and wealth serve as dominant status symbols. The hierarchy of line authority, in modern bureaucracies, tends to monopolize formal status, social

prestige, and income and the technical specialist is largely restricted from advancement up this hierarchy. Thus, the bureaucracy frustrates the technical specialists and scientists by preventing them from advancing into positions that are defined, socially, as being successful (Thompson, 1960, pp 508-9).

Katz and Kahn point out that not only is the strictness of role definitions important for determining organizational behavior, but so is the severity of sanctions imposed to enforce adherence to formal roles. The degree of conformance between observed and expected (or specified) behavior, on the part of individuals, is the measure of the importance of role playing in organizations. The greater the severity of sanctions imposed to enforce adherence to formal rules, the greater will be the degree of role playing (Katz and Kahn, 1966, pp 49-51). Some extent of role playing is necessary to preserve the lives of organizations, by providing some consistency in patterns of predictable behavior, and allowing better co-ordination of activities (Hickson, 1966, p 225). However, individuals usually fill a multiplicity of roles in organizations and society and, if strict role compliance is required, role conflicts are likely to develop and result in dysfunctions for organizations (Katz and Kahn, 1966, p 180). Hickson asserts that extensive pressure for conformance to roles can be dysfunctional to organizations because an emphasis on routine activities and programmed decisions may develop, at the expense of nonprogrammed decisions where initiative must be shown. Extensive role specification and conformance reduced confusion and change, while less distinct role specification increases motivation and innovation through increased anxiety and power conflicts (Hickson, 1966, pp 229-33).

Canadians have a greater intensity of belief in conservatism and a lower intensity of belief in equalitarianism, achievement, mobility, universalism, specificity and individualism than Americans. Thus, they should place a greater stress on role playing and formal status distinctions in order to preserve the status quo and enhance harmony, stability, and social position. For example, Porter and Underhill point out that university professors and scientists are expected to adhere to academic or government bureaucracy roles, with the result that few professors become involved in politics or elite roles, other than in the ideological elite (Porter, 1965, pp 510-11; Underhill, 1960, p 107). Canadian organizations should tend to be more highly bureaucratized, or to have a greater proliferation of rules and regulations, than American organizations. One main feature of a bureaucracy is that it provides more effective co-ordination and predictability of behavior. The greater the predictability of behavior, the greater must be the extent of role playing in organizations.

In summary, the hypothesis can be made that Canadian organizations should tend to have highly distinctive and rigid formal status systems that lend themselves to a high degree of role playing. Formal roles should be more strictly defined in order to protect the positions that individuals have attained, and there should be a greater use of titles and terms of respect in interactions in Canadian organizations. Individuals should be more concerned with competing for formal status differentials based on hierarchical position, than striving for status through achievement and technical competence. Role conformance should lead to a greater emphasis on routine and programmed decisions, and a tendency to ignore the need for unprogrammed decisions. Thus, formal

status systems and role playing should reduce the amount of innovation and change in Canadian organizations.

Communications and Interactions

Communications and interactions are really the same thing since all communications are interactions, and most interactions between people are communicative acts (Katz and Kahn, 1966, p 223). However, with respect to organizational behavior, it is important to understand the type of communications that generally occur in organizations, the restrictions placed on communications, the effects that communications may have on organization operations, and the factors that are responsible for the type of communications that develop in organizations. Organizations are social systems and must restrict communications to channels that are appropriate to the accomplishment of organizational objectives, in order to make communications effective (Katz and Kahn, 1966, p 225). However, the extent and type of restrictions placed on communications and interactions will depend, to a large extent, on the structures of organizations.

The authority structure establishes the chain-of-command, or channels to be used for formal communications, in any organization. Likert points out that the more rigid the authority structure, the more restricted will be communications and interactions. In a rigid hierarchy, communications and interactions will be originated mainly at the top of the organization, and will be limited to those required to achieve organizational objectives. Upward communications will be very limited and inaccurate, and lateral communications and interactions usually will be poor because of competition between peers and corresponding hostility,

fear, and distrust (Likert, 1967, pp 16-19). Formal status systems make explicit distinctions between levels in rigid hierarchies and, as pointed out by Blau and Scott, tend to reduce social interactions. Informal and consultative remarks will tend to be directed towards high prestige individuals, for the most part, and opinions of high prestige individuals will tend to be accepted readily, while those of low prestige individuals will tend to be questioned (Blau and Scott, 1962, pp 122-3).

As pointed out previously, Canadian organizations should tend to have rigid hierarchies of authority, and status systems that stress distinctions between levels, because of a relatively high degree of respect for authority and a higher intensity of belief in elitism. In other words, Canadian organizations should tend to place greater stress on restricting communications and interactions to the formal chain-of-command, for the achievement of organizational objectives. Thus, it should be found that: communications and interactions, related to achieving objectives, tend to be directed downwards, for the most part; lateral interactions tend to be limited and lacking in trust; and opinions expressed by those of high status during consultative sessions tend to be accepted without question while those of low status individuals tend to be rejected quite frequently in Canadian organizations.

Restrictions on communications and interactions may have many dysfunctions in organizations. As Thompson suggests, in a highly bureaucratized organization, the "superior has the right to monopolize communications, both official communications between the unit and the outside world, and communications between members of the unit." The superior may insist on formal channels and restrict information flow to, and between,

subordinates, thereby causing them to become alienated and reducing the effectiveness of their performance (Thompson, 1961, p 63). Blau and Scott point out that highly restricted communications increase the effectiveness of a single, simple hierarchy because it allows close direction. However, in an authority structure that is a complex of subhierarchies with communications flowing only through the leaders of the subhierarchies, effectiveness may be impeded while leaders attempt to solve problems affecting the lower levels of subhierarchies, because low level, lateral communications are not allowed (Blau and Scott, 1962, p 184). An empirical study of interdepartment co-ordination indicated that, where a rigid hierarchy existed, co-ordination was more difficult, and interactions at lower levels tended to be dysfunctional to organization objectives because they involved bargaining for individual department gain, rather than co-operation for overall organization gain (Walton, *et al.*, 1966, *passim*). Another study found that mobility aspirations and status-seeking tendencies, in a rigid hierarchy, caused distortion of upward communications which tended to hide organizational problems and reduce overall efficiency and effectiveness (Read, 1966, *passim*). Also, restrictions on freedom of communications tend to impede problem solving activities, and peer group co-ordination, among technical specialists in organizations (Thompson, 1960, pp 500-1).

Since it is expected that communications and interactions will be more restricted in Canadian organizations than in American organizations, the above dysfunctions should be more prevalent in Canada. Subordinates in large Canadian organizations should tend to be alienated because of restrictions on communications and interactions. Canadian organizations should experience more problems in co-ordinating inter-

dependent departments, and there should be a tendency towards competition for individual department gain, rather than co-operation for the mutual benefit of all. Subordinates also should show a greater reluctance toward communicating their problems to superiors, and should have a greater tendency to be distrustful of their peers.

The above predictions are based on the hypotheses made with respect to authority structures and status systems in Canadian organizations. However, they can also be traced back to dominant Canadian social values. The relatively high intensity of belief in conservatism in Canada should cause individuals to withhold opinions and hide emotions, which should lead to more non-committal and shallow interactions. The relatively lower intensity of belief in equalitarianism in Canada should result in a lower tolerance for individual job differences and a greater concern for status, which should cause individuals to be more distrustful, more concerned with protecting their positions, and more reluctant to deal openly with superiors. Thus, social values should be the real cause of inhibited interactions in Canadian organizations, relative to American organizations, which should be evident in lower effectiveness, and greater dissatisfaction and alienation of subordinates.

In summary, the hypothesis can be made that communications in Canadian organizations should tend to be originated mainly at or near the top of the hierarchy, and directed downwards to achieve operating objectives. Upward communications should be restricted mainly to providing information that subordinates want superiors to know, and to ask for clarification of instructions received, or for a decision from higher authority, but not to question the wisdom of a command, or to express contrary opinions. Supplemental channels should tend to be prevalent for verify-

ing upward communications, and lateral interactions should tend to be restricted by a low level of interpersonal trust among peers. In addition there should tend to be little co-operative teamwork between lower units in Canadian organizations, because formal hierarchies should tend to insist that decisions for changes in operations must be made at levels higher than the operating units.

Decision Making and Problem Solving

Decision making and problem solving activities form a combined process that is essential to the operation of any organization whether industrial, institutional, or governmental in nature. As Thompson points out, the effectiveness and efficiency of the decision making and problem solving activities depends upon the structure of organizations, the adequacy of communications, and the skills available. Problem solving is a technical specialist activity that leads to group decisions on technical matters, but the hierarchy of authority tends to be autocratic and interfere with this process. Thus, technical specialists attempt to avoid the possible distortion from formal hierarchy communication channels by developing their own communication channels, and weakening the hierarchy in decision making. But the presence of an administrative hierarchy still influences the technical specialist group decision making, because the hierarchy must accept decisions that are made, and they will be reluctant to do so when personal goals could be affected by changes in the status quo (Thompson, 1960, pp 500-3). Other authors agree that the hierarchy impedes problem solving and decision making through the restrictions it imposes on communications, and the selection of problems that should be solved (Blau and Scott, 1962, p 244; Presthus, 1962a, p33;

Guetzkow, 1965, p 45). Likert has also suggested that, in organizations with rigid authority structures, decisions will tend: to be made at the top of the organization; to be based on partial and often inaccurate information; to be insensitive to problems at lower levels in the organization; to be made with little use of technical and professional knowledge unless possessed at higher levels; to be made at levels appreciably higher than levels where the most accurate and adequate information exists; to contribute little or nothing to the motivation to implement decisions; and, to be man-to-man or unilateral in nature (Likert, 1967, pp 20-1).

Since Canadian organizations should tend to have more rigid and bureaucratic authority structures; supported by a relatively high intensity of belief in conservatism, elitism, and authority and a relatively low intensity of belief in equalitarianism, achievement, and individualism; decision making and problem solving activities should tend to be more highly impeded by restrictions on communications, hierarchical concern for personal goals and the status quo, inaccuracy of information, and insensitivity to problems at lower levels in the hierarchy, in comparison with American organizations. Since formal differentiation and concern for status also impedes the problem solving processes (Blau and Scott, 1962, p 244), the distinct and rigid status systems predicted to exist in Canadian organizations should restrict participation of low-status members in problem solving activities, and virtually eliminate a possible source of relevant information.

There are two types of problem solving and decision making activities that are important to organizations -- the programmed and the unprogrammed. Bakke provides an extensive outline of questions that

could be used to determine the efficiency and effectiveness of problem solving activities, directed towards unprogrammed decisions. He stresses the need for search, learning, and diligent application to procedures -- the ineffectiveness of which will be revealed by an accumulation of recognized but unsolved problems (Bakke, 1959, pp 62-6). Cyert and March point out that, in the case of programmed decisions, an organization may have discretion, or think that it has discretion, and will be more likely to use decision strategies or rules to solve its operating problems. Decision strategies are relatively fixed procedures, like standard operating procedures, that instruct the decision maker to react in a specified way in the event that particular contingencies arise. Such strategies are not adaptive, or at least not highly adaptive, and, in effect, represent bureaucratization of decision making and problem solving activities (Cyert and March, 1963, p 20). The existence of decision strategies indicates an inflexibility in organizational behavior, which should serve to reduce the effectiveness of organizations. Decision strategies also should tend to be geared to centralized and unilateral decision making.

The Canadian preference for accepting authority rather than arguing against or taking it, and the high intensity of belief in conservatism, should tend to encourage unilateral decision making on the part of executives and to reduce the emphasis on the need for unprogrammed decision making. In other words, Canadian organizations should be found to have a relatively greater proliferation of decision making strategies and rules, as compared to American organizations, rather than adaptive search groups to solve problems that develop. This type of decision making would be compatible with the strong, centralized authority structures

that should exist in Canadian organizations. Decisions by rules are also compatible with the lower level of risk taking, innovation, and change that should be found in Canadian organizations. Adaptive decision making and problem solving activities involve the calculation of risks, and the contemplation of innovation and change, which Canadian values should tend to minimize.

The relatively low intensity of belief in equalitarianism, achievement, mobility, and individualism in Canada, as compared to the United States, should reduce the emphasis on dissent and advancement, which should serve to reduce the emphasis on finding better strategies to reach organizational objectives. Also, since achievement is not emphasized highly, the level of aspirations, which is a key to the initiation of problem solving activities (Cyert and March, 1963, p 34), should tend to be lower in Canada so that relatively smaller accomplishments will satisfy the desires of individuals in Canadian organizations, and lead to a lower emphasis on problem solving activities. The intensity of belief in conservatism and elitism in Canada should also affect the emphasis on the search for information by Canadian organizations. There should be a greater concern for the authoritativeness of information, rather than its accuracy and a true picture of eventualities, than in American organizations.

In summary, the hypothesis can be made that decision making and problem solving in Canadian organizations should tend to be more highly impeded by restrictions on communications, hierarchical concern for personal goals and the status quo, inaccuracy of information, and insensitivity to problems at lower levels in the hierarchy, in comparison with American organizations. Participation of low-status members in problem

solving activities should be more restricted, and there should be more unilateral decision making on the part of executives, with a reduced emphasis on the need for unprogrammed decisions. There should be a relatively greater proliferation of decision making strategies and rules, as compared to American organizations, rather than adaptive search groups to solve problems that develop. There should be a greater concern for the authoritativeness of information, rather than its accuracy in Canadian organizations, and a general lower emphasis on the importance of problem solving activities than in American organizations.

Conclusions

Canadians should have a higher intensity of belief in conservatism and a lower intensity of belief in equalitarianism, achievement, mobility, universalism, specificity, and individualism than Americans. The differing intensities of belief in these dominant social values should exert predictable influences, holding all other factors constant, towards the development of Canadian organizational behavior that is significantly different to American organizational behavior. The hypotheses made in this chapter have been directed towards the development of a basis for comparisons of the influences that social values have on organizational behavior. The hypotheses could be tested by an intensive comparative study carried out in comparable Canadian and American organizations, selected in a manner that would hold all other influencing factors constant, to enable the determination of differences in organizational behavior that are a result of the independent influences of dominant social values. The following is a summary of the hypotheses presented in this chapter.

Canadian organizations should tend to have authority

structures that are legitimized by elitist and traditional beliefs, and to be more stable than American authority structures which should tend, relatively, to be legitimized through technical competence. Canadian authority structures should tend to be steep with close supervision and dependence upon superiors. Relative to an American organization, a Canadian organization of comparable size should have more supervisory levels or gradations. Authority structures should tend to be more rigid in Canadian organizations than in American organizations. There should be greater adherence to the established chain-of-command, greater acceptance of directives from higher authority, and formal relationships should be more prevalent for co-ordination of activities in Canadian organizations. In other words, Canadian authority structures should be more bureaucratized and exhibit greater tendencies towards "trained incapacity," rules and red tape, job specialization, and inequalities in the distribution of rewards. There should be less pressure to change bureaucratic authority structures in Canada than in the United States, and lower use of technical specialist skills. Dissent and conflict should not be openly evident in organizational activities but subordinates will likely voice many complaints among themselves, while they wait for promotion by seniority and avoid breaking formal rules. A greater bulk of responsibility should rest with managers in the upper echelons of the hierarchy, and subordinates should have considerably less autonomy in Canadian organizations than in American organizations.

Canadian organizations should tend: to exhibit fewer tendencies to take risks for technical and administrative innovations; to be subject to less pressure for change from unstable boundary conditions; to have less pressure, from technical specialists, for innovation and risk taking;

and, to be subject to less conflict and fewer power plays, which induce risk taking. Canadian organizations should tend to have more highly bureaucratized authority structures, which should serve to inhibit attempts at innovation and lead to incremental changes. There should be a greater emphasis on organizational stability and security of position, rather than on the risks embodied in conducting basic research, rapid expansion of operations, a high use of technical specialists, and creative, idea generating units free from operational responsibilities. In other words, the level of risk taking, innovation, and change should be lower in Canadian organizations than in American organizations.

Canadian organizations should tend to have highly distinctive and rigid status systems that lend themselves to a high degree of formal role playing. Formal roles should be more strictly defined in order to protect the positions that individuals have attained, and there should be a greater use of titles and terms of respect in interactions in Canadian organizations. Individuals should be more concerned with competing for the formal status differentials of hierarchical positions, earned or unearned, than striving for status through achievement and technical competence. Role conformance should lead to a greater emphasis on routine and programmed decisions, and a tendency to ignore the need for unprogrammed decisions. Thus the concern for formal status differentials and role playing, should result in lower amount of innovation in organizations.

Communications aimed at achieving operating objectives in Canadian organizations, should be originated mainly at the level of highest responsibility for any part of the operations, and directed downwards for coordination. Upward communications should be restricted mainly to provid-

ing information that subordinates want superiors to know, and to ask for clarification of instructions received or for a decision from higher authority, but not to question the wisdom of a command, or to express contrary opinions. The use of supplemental channels to verify upward communications should be more prevalent, and lateral interactions should be more restricted by a lower level of interpersonal trust among peers in Canadian organizations, than in American organizations. In addition, there should be less co-operative teamwork between interdependent units in Canadian organizations, because decisions to change operations should tend to be restricted to hierarchical levels outside of, and above, the basic operating units. Thus, the formal communications and interactions systems should serve to reduce the effectiveness of Canadian organizations.

Decision making and problem solving in Canadian organizations should tend to be more highly impeded by restrictions on communications, hierarchical concern for personal goals and the status quo, inaccuracy of information, and insensitivity to problems at lower levels in the hierarchy, in comparison with American organizations. Participation of low-status members in problem solving activities should be more restricted, and there should be more unilateral decision making on the part of executives, with a reduced emphasis on the need for unprogrammed decisions. There should be a relatively greater proliferation of decision making strategies and rules, as compared to American organizations, rather than adaptive search groups to solve problems that develop and to search for innovations and alternatives that could be applied to increase effectiveness, or to improve the products or services provided. There should be greater concern for the authoritativeness of information, rather than its

accuracy, in Canadian organizations, and a generally lower emphasis on the importance of problem solving activities than in American organizations.

Thus Canadian organizations are expected to differ considerably from American organizations and, in general, to be more highly bureaucratized, to be less efficient and effective, to be less innovative, to be less inclined to take risks, to be slower at adapting to change, to have more distinctive and rigid status systems, to have a greater degree of role playing, to have more restricted communications and interactions and less interpersonal trust among peers, to have more decision rules, to have fewer unprogrammed problem solving activities, and to have more unilateral decision making based on less information. In other words, Canadian organizations are expected to be less dynamic and effective than American organizations, in general. There will be many exceptions, but an intensive comparative research study would be expected to support the above hypotheses to a significant degree.

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